

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, FEBRUARY 7, 1929

THE EXCESS INSURANCE COMPANY OF AMERICA

JAMES GIBBS, President

FINANCIAL STATEMENT FOR YEAR ENDING DECEMBER 31st, 1928

ASSETS	LIABILITIES
Investments	Reserve for Claims.....\$ 451,160.58
(Bonds and Stocks).....\$2,421,675.00	Reserve for Unearned Prem- iums 495,609.96
Cash in Banks..... 388,944.00	Reserve for Commissions } ... 43,491.55
O/S Prem. 178,106.37	Reserve for Reins. Exp. Factor }
Accrued Interest 30,376.70	Reserve for Other Liabilities.. 31,725.00
	1,021,987.09
	Paid in Capital .. 750,020.00
	Surplus 1,247,094.98
	1,997,114.98
<hr/> \$3,019,102.07	<hr/> \$3,019,102.07

*Casualty and Surety Reinsurance
Excess and Share*

Executive Offices

84 William Street, New York City

Telephone: Beekman 0890

AMERICAN EQUITABLE ASSURANCE CO., OF NEW YORK

ASSETS	LIABILITIES	Sept. 30, 1928 Statement CAPITAL	VOLUNTARY RESERVE	POLICYHOLDERS SURPLUS
\$8,962,682.26	\$4,363,608.73	\$2,000,000.00	\$1,400,000.00	\$4,599,073.53

BRONX FIRE INSURANCE COMPANY OF THE CITY OF NEW YORK

		July 6, 1928 Statement		
\$4,278,800.00	\$1,778,800.00	\$1,000,000.00	\$1,227,500.00	\$2,500,000.00

BROOKLYN FIRE INSURANCE CO.

		June 30, 1928 Statement		
\$4,813,680.24	\$2,313,680.24	\$1,000,000.00	\$946,275.96	\$2,500,000.00

GLOBE INSURANCE COMPANY OF AMERICA

PITTSBURGH, PA.
(INCORPORATED 1882)
July 1, 1928 Statement

\$1,404,028.52	\$683,072.90	\$300,000.00	—————	\$720,955.62
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KNICKERBOCKER INSURANCE CO., OF NEW YORK

		July 1, 1928 Statement		
\$3,656,053.13	\$1,670,514.41	\$1,000,000.00	\$150,000.00	\$1,985,538.72

MERCHANTS AND MANUFACTURERS FIRE INSURANCE CO.

NEWARK, N. J.
(CHARTERED 1849)

		June 30, 1928 Statement		
\$4,783,781.48	\$2,283,781.48	\$1,000,000.00	\$914,170.20	\$2,500,000.00

NEW YORK FIRE INSURANCE CO.

(INCORPORATED 1832)
June 30, 1928 Statement

\$1,997,043.45	\$217,135.13	\$1,000,000.00	—————	\$1,779,908.32
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REPUBLIC FIRE INSURANCE COMPANY

PITTSBURGH, PA.
(INCORPORATED 1871)
June 30, 1928 Statement

\$2,489,293.27	\$963,897.61	\$610,000.00	\$100,000.00	\$1,525,395.66
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SYLVANIA INSURANCE COMPANY OF PHILADELPHIA, PA.

		July 1, 1928 Statement		
\$4,788,572.60	\$1,788,572.60	\$1,500,000.00	\$1,199,877.04	\$3,000,000.00

Classes of Insurance Written

FIRE, AUTOMOBILE, EXPLOSION, RIOT, CIVIL COMMOTION, TORNADO
AND WINDSTORM, SPRINKLER LEAKAGE, USE AND OCCUPANCY,
PROFITS, LEASEHOLD AND GENERAL MERCHANDISE FLOATERS

SOUND—PROGRESSIVE—EQUITABLE

These Are Our Keynotes

We welcome and invite this class of agency representation.

CORROON & REYNOLDS, Inc.

92 WILLIAM STREET

Manager

NEW YORK CITY, N. Y.



Better Insurance for Homes

Most men try to ascertain the truth as to the value of their business properties requiring protection against loss.

But few men know with similar certainty the value of their residences: buildings as well as contents.

You will be doing them a real favor by urging upon them the desirability of having their homes appraised.

We will be glad to send literature descriptive of this service to anyone whom you believe would be interested.

THE AMERICAN APPRAISAL COMPANY

Atlanta
Boston
Baltimore
Buffalo
Chicago

Cleveland
Cincinnati
Detroit
Dallas
Indianapolis

Kansas City
Los Angeles
Minneapolis
Milwaukee
New Orleans

New York
Philadelphia
Pittsburgh
Syracuse
St. Louis

San Francisco
Seattle
Tulsa
Washington
Berlin, Germany

A N A T I O N A L O R G A N I Z A T I O N

THE HARTFORD ACCIDENT AND INDEMNITY COMPANY INCORPORATED 1913

offers every facility for writing Fidelity and Surety Bonds

Hartford writes the following forms of Casualty Insurance and Fidelity and Surety Bonds

ACCIDENT AND SICKNESS • AUTOMOBILE • BANKERS' AND BROKERS' BLANKET BONDS • BLANKET FIDELITY BONDS • BURGLARY AND THEFT • CONTINGENT LIABILITY • CONTRACT BONDS • COURT BONDS • DEPOSITORY BONDS • DRUGGISTS' LIABILITY • ELEVATOR LIABILITY • EMPLOYERS' LIABILITY • FIDELITY AND SURETY BONDS • FIDUCIARY BONDS • FRAUD BONDS • FORGERY AND CHECK ALTERATION • GENERAL OR LANDLORDS' LIABILITY • GOLFERS', PHYSICIANS', SURGEONS', AND DENTISTS' LIABILITY • PLATE GLASS • PUBLIC LIABILITY • PUBLIC OFFICIAL BONDS • RESIDENCE ALL-IN-ONE • SPORTSMEN'S • TEAMS LIABILITY • THEATER LIABILITY • WORKMEN'S COMPENSATION

and operates in all parts of the United States and Canada and in Hawaii.

Inquiries regarding agency connections may be addressed to the nearest of these offices

Home Office
HARTFORD, CONNECTICUT

New York City Office
110 WILLIAM STREET

Western Department
CHICAGO, ILLINOIS

Casualty Department
410 NORTH MICHIGAN AVENUE

Fidelity, Surety and Claims Departments
A-1329 INSURANCE EXCHANGE



← Southern Department
427 TRUST CO. OF GEORGIA BUILDING
ATLANTA, GEORGIA

Pacific Department
720 CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA

Canadian Department
24 WELLINGTON STREET EAST
TORONTO, ONTARIO

WRITE ANY OF THESE OFFICES FOR A COPY OF A "GENERAL INFORMATION" HANDBOOK THAT GIVES A BRIEF DESCRIPTION OF ALL OF THE ABOVE FORMS OF INSURANCE AND BONDS

The National Underwriter

Thirty-Third Year No. 6

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, FEBRUARY 7, 1929

\$4.00 Per Year, 20 Cents a Copy

SPOKANE LOCAL AGENT ASSAILS BOARD'S WORK

Pacific Governing Body Slow to Recognize Competition in Washington

NEED MORE EFFICIENCY

Harry T. Anthony Tells Fire Underwriters Association That Rivals Must Be Met Squarely

SAN FRANCISCO, Feb. 6.—An address on "A Washington Local Agent's View of the Northwest Situation" was given by Harry T. Anthony of the Elmendorf-Anthony Co., Spokane, Wash., at the meeting of the Fire Underwriters Association of the Pacific here.

Opening his address with the question: "As we consider the insurance situation in the northwest shall we take the view of the optimist or of the pessimist?" Mr. Anthony expressed himself as hopeful and enthusiastic about insurance as a business and about his connection with it, but also stated that he was not hopeful about the future of his agency, his companies or himself unless "we individually and collectively are capable and willing to acknowledge and practice progressive principles, modern methods and new ideals."

Must Stand Limelight

"This is the day of the survival of the fittest," he said, "not only of individuals, but of groups, methods, systems and ideals. Our ideals of today, in order to be fit must embody not only freedom from fraud, but freedom from inefficiency as well. Our product, being of a public service nature, must be able to stand the limelight of public criticism. We must demonstrate its worth."

"Seeing at close range the present perturbed state of affairs in the state of Washington, I feel that the disregard by the standard companies of the modern laws of efficiency and service is the answer to the situation. We have not kept up with the rising tide, nor have we entirely kept faith with each other or with the public. We have fallen short in our ideals. I repeat that I am optimistic about the future of insurance in Washington, for we are entering a period of great industrial growth, but I am not at this writing confident as to what school or group or class of companies will continue best to serve the public and to profit thereby.

Recognize Board's Value

"I believe I speak for the majority of local agents when I say that we do not like the Pacific Board; members of the board—yes, almost to a man and company, but the board as an entity in its present status—no. We do not recommend doing away with the board. I realize, of course, the great desirability and the many benefits of a form of union but when that union becomes a master instead of a servant and of such a cumbersome, restrictive and selfish

UNAUTHORIZED COMPANIES ON BIG FIRE IN CHICAGO

OPERATORS AS BOLD AS EVER

Three Undergrounders Carry \$10,000 on Fulton Street Risk—Loss Estimated as Total

Notwithstanding the publicity that has been given to unauthorized insurance companies, three of them are on the big loss on West Fulton street, Chicago, that occurred last Saturday morning. The Anchor of London is on for \$3,500, the Colonial of Portugal for \$3,000 and the Eastern of Newcastle, England, for \$3,500. The loss is estimated as total.

The unauthorized companies have been on the risk for several years, first through the Keystone Agency, then through the North American Agency, and finally correspondence has been with the Universal Underwriters of Montreal. Some of the policies have been signed by W. R. Atkinson, the counter signature indicating that it was attached in Philadelphia.

Still Getting Premiums

The managers of unlicensed foreign companies, who fit all over the continent, apparently do not find their operations disturbed by the publicity given them, except for the necessity for frequent changes of base. The broker handling the Fulton street line remitted a check to the Montreal office as late as Nov. 16, 1928, and has correspondence from the Universal Underwriters dated from that city on Oct. 11, 1928.

Agents who have patronized unauthorized companies and have been inclined to take a chance and let the business run off should take warning as they may be caught with a total loss.

The operators apparently are as bold as ever. They demand full premiums, pay a small commission on the ground of handling accommodation lines, and even exact the surplus line tax from the assured, as in the Fulton street case.

nature that its members become tangled in its web of red tape, where they are viewed with distrust by agents and the public, and become ready prey for forces of a greater freedom and flexibility, then such a union is a danger indeed. The mere strength of a muscle bound athlete is often his undoing, when the laurels fall to a weaker though fleetier adversary. We feel that the board has been slow to see, slow to feel and slow to act, and when acting has not always done so with intelligence or good faith.

New Form of Competition

"For some years in Washington there has been growing a new and progressive form of competition. It has been and may continue to be a legitimate and effective competition, based upon the fundamental of service to the public. Those of us on the firing line know that it has been and is an intelligent and appealing form of competition. It is also a natural one and quite to be expected under the conditions that have existed. Your board, collectively, and in some instances individually, has only recently recognized or admitted this competition as worthy of consideration. We feel

(CONTINUED ON PAGE 16)

BEN C. HYDE HAS NOW TENDERED RESIGNATION

HAS LONG BEEN DISABLED

Missouri Insurance Superintendent Has Been Involved in a Number of Important Transactions

Insurance Superintendent Ben C. Hyde of Missouri has resigned from office, effective at the pleasure of Governor Henry S. Caulfield. In his letter of resignation Superintendent Hyde did not give the specific reason for deciding to resign at this time.

Governor Caulfield in his inaugural address intimated that Superintendent Hyde probably would finish his present term, which expires July 1. In his message to the state lawmakers, Mr. Caulfield suggested that the governor be given a larger measure of control over appointive officers so as to deal effectively with a situation such as developed when Mr. Hyde was stricken with paralysis two years ago. Mr. Hyde has had no direct contact with his department since his illness and as a result the Missouri department has been practically without a directing head.

Effect of Hyde's Illness

During the period of Mr. Hyde's illness several serious situations developed in Missouri insurance affairs, notably the crash of the International Life of St. Louis. The department has been severely criticized for its failure to investigate the International Life in time to prevent the looting of the company, although the insurance commissioners of several other states, led by Commissioner Detrick of California, fought strenuously for permission to delve into the affairs of the life company. The Missouri department blocked a convention examination of the company for many months.

Superintendent Hyde's administration has also been marked by a fight against the rates charged by the stock fire companies in the state. Almost immediately after his appointment by his brother, Arthur M. Hyde, in 1921, B. C. Hyde opened his war on the stock companies. He has been regarded as a reciprocal man, being very close to Charles M. Howell of Kansas City.

Rate Case Still Pending

He ordered a 10 percent cut in rates effective Nov. 15, 1922. The Missouri supreme court later sustained the order. However, the lower rates have never gone into effect and the case is still pending in the federal courts, individual companies having resisted the rates after the United States Supreme Court had refused to accept jurisdiction in the case on a collective basis. In the meantime the Missouri courts have witnessed many skirmishes between Mr. Hyde and the stock insurance interests.

The two candidates most active for Mr. Hyde's post are George Hackmann, former state auditor, who is now attached to the St. Louis office of the Guardian Life, and Joseph B. Thompson of Kansas City, who is now with the Sentinel Life, of which Arthur M. Hyde is president. Mr. Thompson was secretary to Arthur M. Hyde when he was governor.

BUSINESS ENTERING TRANSITION PERIOD

Pacific Underwriters Head Reviews West Coast Problems and Development

ANDERSON IS PRESIDENT

Reynolds Pleads for Internal Harmony—Advocates Uniform Laws—Stresses Importance of Publicity

SAN FRANCISCO, Feb. 6.—Characterized by a desire to see that insurance maintains its rightful place and keeps pace with the general economic development, the annual meeting of the Fire Underwriters Association of the Pacific came to a close tonight with the annual



THOMAS H. ANDERSON
New President Fire Underwriters Association of the Pacific

banquet, which in point of numbers was one of the largest and most successful ever held by the organization.

Thomas H. Anderson, Pacific Coast manager of the Liverpool & London & Globe, was elected president at the closing business session, with George V. Lawry of the Travelers Fire as vice-president. J. H. Martin, assistant manager of the National Liberty, was re-elected secretary-treasurer with Mrs. J. P. Moore as librarian.

Reviews Recent Changes

President Ira P. E. Reynolds in his opening address on Tuesday morning following the usual reports stressed the importance of greater uniformity and harmony of thought among board companies and the development of better agency relations. He reviewed recent developments which have made these things more important and essential. One of the points he discussed was that of com-

(CONTINUED ON PAGE 12)

E. W. WEST MADE GLENS FALLS BOARD CHAIRMAN

F. M. SMALLEY IS PRESIDENT

Company in Annual Meeting Elects Other New Officers and Advances Some

At the annual meeting of the Glens Falls Fire, E. W. West, who has been president since 1920, was elected chairman of the board, and F. M. Smalley, vice-president and secretary, was advanced to the presidency. Nearly a year ago Mr. West announced that he proposed retiring from active service at this time.

The following additional officers were elected: Vice-presidents, R. S. Buddy, F. L. Cowles, G. P. Crawford, S. T. Brown, H. W. Knight, R. H. Griffith, and C. M. Hayden; secretary-treasurer, R. C. Carter; secretaries, H. W. Cowles, G. S. Jamison, John Kilpatrick, Jr., and F. W. Stein.

Managers Advanced

Vice-presidents Cowles, Crawford and Knight were previously secretaries. Vice-president S. T. Brown is the manager of the company's new York office. Messrs. Griffith and Hayden were elected vice-presidents in recognition of their work as managers of the Pacific Coast department and the Chicago branch office, respectively. Secretary-treasurer Carter was previously the treasurer only. Secretaries Cowles, Jamison and Kilpatrick were formerly assistant secretaries. Secretary Stein was formerly assistant secretary of the Commerce of Albany and has served as special agent in the home office territory.

R. C. Carter, the secretary-treasurer, and Louis P. Brown were elected directors to fill vacancies caused by the deaths of the late H. N. Dickinson and C. J. De Long.

Indemnity Company Elects

Officers of the Glens Falls Indemnity were elected as follows: President E. W. West; vice-presidents, F. P. Stanley, F. M. Smalley, F. L. Cowles and S. T. Brown; secretaries, H. J. Adams, A. J. Reed and S. M. Thomas; secretary-treasurer, R. C. Carter.

F. P. Stanley and L. P. Brown were elected directors of the indemnity company. All the new secretaries have been with that company since its organization, Mr. Adams being in charge of the fidelity and surety departments; Mr. Reed in charge of the general liability department, and Mr. Thomas being general claims attorney.

West Has Long Career

Chairman E. W. West has been with the Glens Falls during his entire business life. He is a native of Glens Falls and after joining the insurance company was successively special agent, assistant secretary, secretary, vice-president and president. He is one of the most prominent company officials in the business and liked and respected by all his associates.

Mr. Smalley, the new president, is a native of Syracuse and was graduated from the University of Syracuse in 1898. After eight years with the Middle States and the Underwriters' Association of New York state, he entered the service of the Glens Falls Fire, as special agent, in 1906. He was appointed assistant secretary Jan. 1, 1919, secretary a year later and vice-president and secretary three years ago.

Buffalo Returns to Coast

SAN FRANCISCO, Feb. 6.—Harris & Snear, general agents in California for the Germanic and other companies, have been appointed California general agents for the Buffalo Fire of New York and the company will apply immediately to re-enter the state, from which it withdrew shortly after the fire of 1906. The company will operate non-board.

FORM NATIONAL ALLIANCE INSURANCE EXCHANGE

ELECT SAMUEL GREENE

Delaware Company Organized to Protect Members of National Wholesale Cleaners & Dyers Alliance

PHILADELPHIA, Feb. 6.—Organization of the National Alliance Insurance Exchange, chartered to manage, assist and direct insurance activities for members of the National Alliance of Wholesale Cleaners & Dyers, has been perfected. The exchange has been created under the laws of Delaware.

The home office of the exchange has been established in Wilmington, Del., and arrangements have been made with C. M. Gillingham & Co., Philadelphia brokers, for reinsurance facilities in American stock companies.

The lines to be written by the exchange for cleaning and dyeing plants throughout the country include fire, bailee, automobile and all forms of liability, payroll and messenger robbery and plate glass.

At a meeting here of the board of the exchange, Samuel Greene, president of the National Alliance of Wholesale

NOW HOPE TO AVERT ALL COMPLICATIONS

WILL WATCH DEVELOPMENTS

Oklahoma Association of Insurers Trusts Sale of Ponca City Bank Agency Settles Issue

OKLAHOMA CITY, OKLA., Feb. 6.—The Oklahoma Association of Insurers has adopted a policy of watchful waiting so far as the Ponca City bank agency issue is concerned. This issue which came into national prominence was created by the Security Bank & Trust Company being appointed agent for some companies. The Ponca City Association of Insurers objected to the appointment on the ground that companies were thus giving aid and comfort to a financial institution in violation of

(CONTINUED ON PAGE 10)

Cleaners & Dyers, was elected president of the exchange; J. R. Barg, vice-president; W. W. Hepburn, secretary-treasurer, and Hoyt Griffiths, assistant secretary-treasurer. These officers and M. A. Marcus and C. M. Gillingham are members of the board of directors.

AGENTS WILL CONFER ON OIL COMMISSIONS

WILL MEET WITH OFFICIALS

Committee Appointed to Take Up Important Subject With Representatives of Company Organization

Committees representing the National Association of Insurance Agents and the Oil Insurance Association will meet in the latter's rooms at Chicago Feb. 14 at 2:30 p. m., to discuss further the situation arising from the reduction in agents' commissions by the Oil Association.

It will be recalled that the issue had its origin nearly a year ago, when the Oil Insurance Association notified agents that after April 1, 1928, commissions would be reduced to 10 percent. It is the contention of agents writing oil business that the Oil Association was not within its rights in reducing the compensation of local agents, because their contracts are with their companies, not the Oil Association.

During the annual convention of the National association at West Baden last September, one afternoon was devoted to a discussion of this question by agents and General Manager H. M. Carmichael of the Oil Association. The discussion was entirely informal and did not lead to any definite conclusion. The agents' committee requested the executive committee of the National association to continue the negotiations with the Oil Insurance Association, in an effort to arrive at an adjustment of the situation.

Accordingly, the National association entered into correspondence with President Charles R. Tuttle of the Oil Insurance Association, with the result that the meeting has been arranged. A committee will be designated by Mr. Tuttle to represent his body. The committee representing the agents will consist of President R. P. DeVan, Executive Committee Chairman Clyde B. Smith, Fred M. Burton, Galveston, Tex., and Frank T. Priest, Wichita, Kan., members of the executive committee; J. Stewart Pearce, Tulsa, Okla., a member of the conference committee, and Secretary Walter H. Bennett.

Interest in this question among agents writing oil business is so keen that it appears quite likely that some of them will attend the meeting to discuss the matter with their National association committee, which will convene at the Hotel Stevens, Chicago, at noon Feb. 13.

Committee Had No Authority

It now turns out that the committee of Class 2 Chicago agents that carried around a pledge to get their associates to sign providing that if they gave a certain amount of business to the General of Seattle and its running mate, the First National, they would be paid 20 and 30 percent commissions and 25 percent contingent were acting without authority from the companies. At a meeting of the Class 2 committee, the statement was plainly made that such authorization had been made by the companies. However, the companies disclaim any responsibility for this movement, saying that if the Class 2 agents are endeavoring to get the pledge signed they are pursuing an independent course and the companies are not bound to it in any way.

W. J. Horan With Firemen's

William J. Horan has been appointed assistant loss superintendent for the Firemen's group in its western department. He was formerly in charge of the losses for the National Liberty in its old western department. After that he went with the Northern of London doing similar work in its old department at Chicago. Recently he has been connected with the office of the Transcontinental.

CONDENSED NEWS OF THE WEEK

President Reynolds reviewed recent developments of the Fire Underwriters Association of the Pacific meeting. Election of officers was held. **Page 3**

Operations of unauthorized companies emphasized by big Chicago loss. **Page 3**

Ben C. Hyde resigns as Missouri insurance superintendent. **Page 3**

Spokane local agent attacks the policies of the Pacific Board at San Francisco meeting. **Page 3**

Firemen's secures control of Commercial Casualty through exchange of stock. **Page 8**

Committees representing the National Association of Insurance Agents and the Oil Insurance Association will meet in Chicago Feb. 14 to discuss the situation arising from reduction in commissions. **Page 4**

F. M. Smalley, vice-president and secretary of the Glens Falls, has been elected president. **Page 4**

Wilfred Kurth scotches rumor that Home of New York intends to obtain control of Maryland Casualty. **Page 6**

Ponca City, Okla., bank agency issue still unsettled. **Page 4**

Advertising campaign of National Board explained by W. W. Ellis in address at the meeting of the Fire Underwriters Association of the Pacific. **Page 5**

The history of insurance and automatic sprinklers were discussed at the meeting of the Fire Underwriters Association of the Pacific. **Page 25**

The Providence Washington announces that it will not discontinue its western department. **Page 22**

Henry S. Dunn, San Francisco general agent, spoke at the meeting of the Fire Underwriters Association of the Pacific on aviation insurance. **Page 48**

Promulgated increase of automobile rates in province of Ontario is to be investigated. **Page 17**

Class 3 members of the Chicago Board may go to court to obtain relief under new rules. **Page 8**

National Alliance of Wholesale Cleaners & Dyers forms a reciprocal exchange to write all forms of insurance for its members. **Page 4**

E. A. Deeds says insurance can render great aid to aviation. **Page 11**

Fireman's Fund stockholders vote to increase the company's capital by \$2,500,000 and its surplus in a like amount. **Page 6**

Sylvania has acquired substantial control of the Liberty Bell. **Page 5**

Insurance Commissioner Anderson of Nebraska resigns. **Page 17**

The National Association of Insurance Agents will hold its mid-year conference in Birmingham, Ala., March 12-14. **Page 20**

A paper by Joseph G. Hubbell urging more frequent inspections was read at the meeting of the Fire Insurance Underwriters of the Pacific. **Page 5**

New rules are established for the handling of so-called contingent automobile liability, which will hereafter be known as "nonownership" liability. **Page 48**

Snyder & Hay, investment firm of Chicago, secure a large financial interest in the General Casualty & Surety of Detroit. **Page 49**

History of rise of National Surety during incumbency of William B. Joyce is told. **Page 40**

Company executive tells why surety companies will not write bank guarantees by pooling resources. **Page 51**

Dion W. Taylor will open and operate Chicago branch of Alliance Casualty. **Page 50**

Chicago local committee on fidelity and surety acquisition costs asks that action be deferred on companies that have filed listings. **Page 49**

Much opposition to government participation in the insurance business is shown at the meeting of the Insurance Society of Massachusetts. **Page 51**

President Holland denies contemplating moving the Independence Indemnity to New York. **Page 50**

Maryland tax commission would reduce present rates of taxation for companies organized in that state. **Page 50**

Casualty men insist there should be no reduction in automobile collision rates. **Page 52**

Joseph R. Wells is elected a vice-president of the Independence Indemnity. **Page 51**

Four states in the Union have no workmen's compensation laws. **Page 54**

EDUCATION OF PUBLIC URGED BY W. W. ELLIS

Important Services Rendered By
Fire Companies Are Not Gen-
erally Known

SAN FRANCISCO ADDRESS

Numerous Public Contacts and Abun-
dant News Material Simplify Task
of Spreading Information

SAN FRANCISCO, Feb. 6.—W. W. Ellis, assistant to the general manager of the National Board, was unable to attend the meeting of the Fire Underwriters Association of the Pacific here this week, so his paper was read by Charles Lum. Mr. Ellis has charge of the publicity work which the National Board has undertaken in Ohio, Pennsylvania, Missouri and Alabama. He said that tests and trials are being made now to determine the most efficient and economical manner in which the story of fire insurance can be told.

He urged the agents and company representatives to back the advertising and publicity by advancing the same reasoning used in their contacts with the public. Mr. Ellis' paper, in part, follows:

Public Must Be Informed

"It has long been recognized that stock fire insurance stands in an unsatisfactory position, not because of inefficiencies, inaccuracies or unsoundness within the industry, but because the public does not realize the extent of the service rendered. As conducted by the stock companies today, fire underwriting is in the public interest to a degree almost without parallel in any field, but no matter how important and impressive a service may be it is essential that the public appreciate its value and why it is offered.

"The ideal of public service is not uncommon in this day of large organizations. So far as we know, however, fire insurance is the only organization offering seven distinct phases of public service, all of which are of vital importance to the progress and prosperity of the people.

Services Are Important

"These services may be briefly summarized by reminding you of the engineering work of the National Board in surveying more than 400 cities; of the Underwriters' Laboratories, which tests equipment and demonstrates which products, or methods may be relied upon for fire-safety; of the arson department, which is making life and property safe from the 'crime of crimes'; of the department of building construction, with its standards for safe construction; of the actuarial bureau, which has compiled records of more than 3,000,000 fires; of the fire prevention work carried on by individual companies and by all the organizations allied with stock fire insurance; of the advice given individual companies in regard to the elimination of the fire hazard in connection with the manufacture or use of their products.

"Here are seven distinct contributions to the public welfare, any one of which is equal in value to similar service rendered by any other industry. Moreover, these factors, which have resulted in a reduction of the fire waste of our country, have in turn been followed by a reduction in rate, and from this the public has also profited in a large measure. All this might be enlarged upon but to a group of fire insurance men it is sufficient to mention it.

"The public has little conception of

SYLVANIA HAS CONTROL OF THE LIBERTY BELL

TWO COMPANIES MAY MERGE

Corroon & Reynolds Have Been Heavy
Buyers of the Stock of Latter
Company

PHILADELPHIA, Feb. 6.—The Philadelphia News Bureau tonight carried a statement that the Sylvania, one of the Corroon & Reynolds group, had acquired a substantial control of the Liberty Bell. This report was confirmed from offices of the companies involved. However, no confirmation could be obtained of the report current in local insurance circles for the past two weeks that the two companies would be merged. Samuel W. McCulloch, president of the Sylvania, declared that he could not at this time discuss the subject, while Henry I. Brown, president of the Liberty Bell, could not be reached. Corroon & Reynolds purchased a large part of the Liberty Bell holdings about a month ago and it is said that the report issued tonight was for an additional amount of the Liberty Bell stock. Last week Henry I. Brown was asked regarding the reported merger and replied that Corroon & Reynolds had purchased control of the company, but that that was all that could be said about the matter. The Sylvania's activities have expanded since May of last year when the company sold 150,000 shares of its stock at \$30 a share.

this important work, even though it has been going on for years. Its contact with the insurance business usually comes at two points—when paying premiums or when requested to make improvements, and both of these contacts may be unpleasant, sufficiently so, in fact, to create a wrong impression of the entire business, simply because its ramifications and the service it renders are not understood. Therefore, if some thoughtless publicity seeker attacks our business, whether it be on the question of rates, excess profits, or method of operation, he doubtless will get a hearing, because the public is no better informed than he.

"We have a remarkable business, a business that holds its head up with any other, a business that can point with pride to its activities and have its record spread out for anyone to read, but if the public does not know this, if the public thinks because of our silence, we have something to conceal, an attitude which to us is incomprehensible, then our splendid record of public service can hardly be expected to redound to our credit.

Cooperation Is Necessary

"But now we come to the satisfactory and optimistic side of the picture. The arrangement of distribution in the stock fire insurance industry allows for many personal contacts with the public through local agents, company representatives and rating officials. We have a story to tell, one in which the public will become increasingly interested, and eventually the editorial pages of our newspapers and magazines will inform the public about one of the greatest necessities in our economic life.

"Our story will be told as soon as those connected with the stock fire insurance business understand the ramifications of the service to which we have alluded. Little can be accomplished if those of us who know the story do not spread it amongst those who have contact with the public. In other words, agents and company representatives must talk the same language, advance the same reasoning, cover the same subject that appears in the educational advertising or news material prepared under the direction of company officials.

"Several interesting newspaper campaigns are appearing in various sections

AWAIT THE REPORT ON THE RECEIVERSHIPS

NEW OFFICIAL IS CAUTIOUS

Illinois Director of Trade & Commerce
Does Not Want to Inherit
Unnecessary Burdens

SPRINGFIELD, ILL., Feb. 6.—Leo H. Lowe, the new director of trade and commerce, has refused so far to take over from his predecessor, H. U. Bailey, receiverships of 26 insolvent insurance companies that are being liquidated at Princeton, Ill., the home of Mr. Bailey. Mr. Lowe is moving cautiously owing to charges that have been made as to extravagance in liquidation transactions. He states that he will not take these over until court approval has been given on final reports. C. J. Doyle of this city, associate general counsel of the National Board, was asked by Governor Emmerson to advise Director Lowe on the legal points involved in assuming the new position.

Former Director Bailey and his attorney sought to turn the various receiverships over to Director Lowe at once. Mr. Doyle advised that no responsibility be assumed until the courts had placed their approval on the receipts, expenditures and other items in the receiver's report of each concern. Director Lowe states that as soon as approval is given by the courts, the receiverships will be moved to Springfield where the insurance department may have access to them. Mr. Bailey filed a supplemental report in the Lincoln Casualty receivership before Judge Briggie in Springfield. The court, however, has not approved the report filed last December and has referred all reports to a master in chancery for checking. The last report showed that \$50,069 had been spent in the receivership thus far and nothing has been paid to creditors.

of the country. The National Board is using advertising space for an educational message about the business in every daily paper in the states of Ohio, Pennsylvania, Missouri and Alabama; local boards are doing somewhat similar work in a number of cities and you are familiar with the work that has been done on the Pacific Coast. These campaigns seem justified on the ground that the public will become more interested in the business; that the publication carrying the message will discover material having news value; that individuals are informed who might be antagonistic if they did not understand our work; but most important of all, that the morals within the business itself will be strengthened.

Need for Good Publicity

"Naturally, any business which starts out to tell the story to the public, as stock fire insurance has done, will be urged to use various media for the telling of its message. There will be wide divergence of opinion. There will be people who do not believe in the efficiency of one form of advertising, who do believe implicitly in another. Trials and experiments must be made in order to find the best, most efficient and most economical way of reaching the greatest number of people in the shortest possible time.

"This work has been started not only on the Pacific Coast, but in the east, in the west, in the north and in the south, and it will go on until the public understands our business for what it is, giving it the cooperation it deserves and obtaining in return the increased benefits which will naturally accrue."

Protest Liability Rates

Maintaining that the rates charged for automobile liability insurance are too high, the Albany Automobile Club has appointed a special committee to investigate the general subject.

RATE COMPETITION FORCES INSPECTION

Moral Hazard the Chief Factor in
Determining Need for Super-
vision

HUBBELL GIVES OPINION

Real Objective of Risk Investigation Is
to Increase Acceptable and De-
crease Questionable Liability

SAN FRANCISCO, Feb. 6.—The need for inspections was emphasized in a paper by Joseph G. Hubbell, manager of the National Inspection Company, Chicago, which was read at the meeting of the Fire Underwriters Association of the Pacific here this week. "As competition forces rates to a level more nearly commensurate with the actual fire hazard, the need for inspection of business increases," said Mr. Hubbell.

Although the need of inspection is greater in times when business conditions are unfavorable, its need on some types of business is ever apparent, he said.

Inspection Has Objective

It is possible to overdo inspection, according to Mr. Hubbell. Underwriters should not allow themselves to become absolutely dependent upon inspections and avoid responsibility of making decisions. There are types of risks which are recognized as showing a satisfactory loss record and there is no occasion to ask for inspections. Inspections are not solely for the purpose of finding excuse to cancel or reduce lines. The real objective of good inspecting should be to make sure of underwriting all the business offered in such a way that the company will have a maximum load of acceptable liability and a minimum load of questionable liability.

Hazard Depends on Assured

"It must be recognized that what we really insure is an individual or a group of individuals," Mr. Hubbell continued, "and we are never safer from fire than they, in their inmost concern, determine that we shall be. A man may be wealthy and honest and own an unprofitable property. Now, strive as he may, he cannot feel the concern for the safety of that unprofitable property that he would feel about some other property which is paying him a handsome return. Suppose a resort hotel owned by a millionaire has gone out of date or the resort has become unpopular. He may continue to operate it as a matter of pride but it is almost certain to burn, not because he is willing to set it on fire but because in the natural order of events there is a fire risk attached to the operation of such an enterprise which tends to get out of control and will finally do so because of lack of incentive to control it.

Risk Hinges on Profit

"It should be noted that there is a moral hazard in every risk though we think of it only when it has the color of undesirability. Actually, it operates all the time. Physical hazard may be compared to a spring which is held compressed or allowed to expand according to the will and intelligence of the owner of the property. This will and intelligence are really moral hazard and usually will be written plainly in the total aspect of the premises insured.

"Physical hazard is so affected by the attitude of the owner that it may be regarded as almost wholly a product of the personality of the owner. It is necessary to assume that a man has as many personalities as he has property
(CONTINUED ON PAGE 16)

FIREMAN'S FUND WILL INCREASE ITS CAPITAL

SHAREHOLDERS GIVE ASSENT

Company Will Issue Stock to Be Paid for at Rate of \$50—Some to Surplus

SAN FRANCISCO, Feb. 6.—Stockholders of Fireman's Fund on Tuesday approved the recommendation of the directors to increase the company's capital to \$7,500,000 by issuance of new stock at \$50 per share. This price will produce an increase of \$2,500,000 in capital and \$2,500,000 in surplus. The present dividend rate of \$5 will be continued, according to President J. B. Levison.

In his annual report President Levison said the net surplus had been increased during the past year by \$1,400,000 after adding \$500,000 to reserve for fluctuation in security values. Assets now amount to \$34,403,956, and surplus to policyholders, \$13,662,939. The unearned premium reserve is \$15,686,755.

Comments on Loss Decline

Mr. Levison commented on the decrease in the fire loss of the country, ascribing it in large measure to the work of the National Board, the United States Chamber of Commerce and the fire chiefs' associations. Discussing the large number of new companies organized during the year, he stated that this would undoubtedly lead to more active competition. He said he considered the outlook for marine business more encouraging than it has been since the war, and automobile business, while improved and of more importance, still has large loss records for collision and theft. The company benefited by \$350,000 during 1928 by an award of the mixed claims commission for illegal sinkings by Germans during the war.

Occidental in 41 States

The Occidental, organized last year by the Fireman's Fund interests, is now entered in 41 states, according to the annual report. Income, including interest on investments, during the period in which the company has been doing business, is \$445,000. All expenses, including losses, have been \$224,000. Mr. Levison stressed the fact that the company was organized without expense.

OHIO FIELD MEN HOLD MEETING AT CLEVELAND

BLUE GOOSE HAD A DINNER

Members of the Two Organizations Are Well Satisfied With Balance Rule Working

CLEVELAND, Feb. 6.—The Union field men of Ohio met Tuesday. Most of the day was spent in cooperative meetings with the Bureau men and the balance rule held the spotlight in these gatherings. The rule, which has been in effect one year, won the unanimous endorsement of those present. Its operation is considered highly satisfactory.

Two new members were elected: Harry L. Grider, Western Factory, and W. L. Lee, Underwriters Service Association, Cleveland.

Two resignations were also accepted: H. L. Strossman of the Henry Clay Fire, and A. E. Perry of the Commercial Union, who has gone to New York.

A. D. Yeaton, western general agent of the New Hampshire Fire, was in attendance at the meeting.

One of the chief topics of discussion at the meeting of the Western Insurance Bureau men was the balance rule. Reports from everywhere throughout the state indicate that the measure is working out in a highly satisfactory manner and the club gave it unanimous approval.

The report of Mr. Snow on the public relations committee, which has been working in conjunction with the National Board, was read. In response to this the field men have expressed a willingness to visit agencies throughout the state for a survey on the national advertising campaign success. Reports will be made on this in the future.

Harry Favorite, special agent for the Reliable, was reported on the sick list. Glen Myers, special agent of the National Union Fire in northwestern Ohio, was taken as a new member. Mr. Myers is a son of Oscar P. Myers, an old and established agent of Alliance, Ohio.

The Ohio Blue Goose gave a dinner Tuesday evening. W. E. Howe, most loyal gander, presided. Entertainment and initiation took up the greater part of the evening. About 10 candidates were presented for initiation. Members of the initiation committee were as fol-

KURTH DENIES RUMOR OF CONTROLLING MARYLAND

PRESENT ARRANGEMENT HOLDS

Operations of Casualty Carrier Are Fully Satisfactory to Its Stockholders

NEW YORK, Feb. 6.—Wilfred Kurth, vice-president of the Home of New York, characterized as "preposterous" the rumored intention of the company to get control of the Maryland Casualty of Baltimore. For several years past there has been an arrangement between the two companies whereby they issued a complete cover automobile contract, the Home writing the fire and the Maryland Casualty the liability lines. This agreement is country-wide in its operation and there is no suggestion of altering it in any way.

At various times in the last few years the story has gone forth that the Home was to embark in the casualty field and that it would launch a subsidiary casualty carrier. These stories were always denied by the management, just as has been done in the most recent instance. The latest rumor emanated from Baltimore and was given initial publicity over the stock exchange tickers, and was further circulated by a number of daily papers. The assumption is that investment brokers were primarily responsible for the report.

It is extremely doubtful whether control of the Maryland Casualty could be bought. Its stockholders have profited greatly through their holdings and, being well satisfied with the progress of the corporation, which was created by and for several years was under the management of the late John T. Stone, has since been under the guidance of F. Highlands Burns, formerly Mr. Stone's chief lieutenant and thoroughly trained in the progressive policies of Mr. Stone.

Baltimoreans take justifiable pride in the insurance institutions of their city, and would not readily lose one of the number to outsiders.

"The story that a merger between the Maryland Casualty and the Home is contemplated is baseless," declared F. Highlands Burns, president of the Maryland Casualty.

lows: Eugene Gallagher, William Rardin and Howard Underwood.

AWAIT THE ACTION OF THE COMPANIES

HAIL RATES CREATE ISSUE

Experience In the Western Section of Kansas Has Proved Most Unprofitable

TOPEKA, Feb. 6.—The 1928 schedule of hail insurance rates are to remain in force in Kansas for the 1929 season unless the stock companies file a new schedule to take the place of the old rates. This was the announcement of Charles F. Hobbs, insurance commissioner, following his disapproval of the 1929 schedule filed by the hail conference.

Mr. Hobbs refused to permit the new schedule to go into effect because of the increases provided in 23 counties in the western part of the state and for the further reason that he believed that the failure to use the 10 percent deductible clause throughout the state with proper credit on the premium costs was a discrimination under the rating law.

Companies Have Not Acted

Mr. Hobbs has not been advised as to what the hail companies plan to do. The notice of disapproval was sent out Jan. 29 but many companies did not receive it until late in the week. The representatives of the hail companies here have not been advised of any action by the conference. It is expected that a meeting will be held this week to determine whether the companies will file a new schedule or let the 1928 schedule continue in effect for the coming season. The companies pointed out to the commissioner that they had suffered severe losses in hail business in 1928 and urged that the increased rates be allowed because of these losses, said to be the most severe the companies have ever had in western Kansas.

May Have a State Fund

The plan to put Kansas into the hail insurance business may be decided by the hearings before the insurance committee of the house. The committee may determine not to let the bill get out on the floor of the house. There is considerable pressure being brought by western Kansas farmers for a full hearing on the state hail insurance plan and it may be that the committee cannot kill the bill. It follows the Canadian state hail insurance plan. It creates six zones. The rate is to be 3 percent in the first zone, then 4 and 6 percent for the second and third zones, 7 percent for the fourth and fifth zones and 9 percent for the sixth zone, and 19 counties along the western boundary of the state.

COMPANIES MAY LEAVE SECTION

Instead of boosting up the rates in the western section of Kansas, the companies applied the 10 percent deductible clause which permits a 10 percent deduction from the loss on the first round. That is, there can be no other deduction if there are any further losses. This was done rather than to boost the rates up to what might prove a prohibitive point. The 10 percent deductible clause was used with good effect in Colorado, New Mexico and Wyoming last year by the companies where the experience had been very bad on growing grain, melons and vegetables. In addition to the western part of Kansas the deductible clause is issued by the Western Hail Conference in Nebraska and certain sections of the Dakotas. If the companies are not allowed to use the deductible clause in the western part of Kansas, and if they are not permitted to raise the rates to meet the unprofitable experience it is generally understood that they will not write hail insurance in that section thereafter as the loss ratio is too heavy.

Fred W. Koeckert, United States manager of the Commercial Union, was in Chicago and St. Louis this week.

FIGURES FROM DECEMBER 31, 1928, STATEMENTS FIRE COMPANIES

STOCK COMPANIES											
	Assets	Gain In Assets	Reins. Res.	Gain In Reins. Res.	Capital	Surplus	Gain In Surplus	Net Prems.	Losses Paid	Loss Ratio Percent	
Aetna, Conn.	59,665,903	6,133,719	25,635,465	—862,060	7,500,000	17,442,039	2,754,232	26,840,696	14,181,993	52.8	
American Au. F. Mo.	1,883,485	1,282,872	795,449	795,449	500,000	442,162	41,549	2,012,155	422,705	21.01	
Amer. Au. Ins., Mo.	1,705,196	1,429,964	4,116,652	460,461	1,000,000	2,768,660	507,723	8,075,067	3,702,083	45.8	
*Anchor, R. L.	1,297,749	75,472	—	—	500,000	818,557	—	92,070	2,121	2.3	
Automobile Ins., Conn.	23,675,779	3,209,115	5,516,316	—628,292	5,000,000	7,001,836	2,189,720	7,345,845	4,586,155	62.4	
Buffalo Ins., N. Y.	5,943,154	162,189	2,421,185	37,155	1,000,000	1,990,817	212,439	1,993,881	753,444	37.7	
Cosmopolitan, N. Y.	2,612,133	113,133	99,556	99,556	1,000,000	1,000,000	—	104,644	—	—	
Detroit Nat'l, Mich.	618,406	21,279	197,874	22,854	200,000	194,357	1,001	208,879	91,225	43.6	
Eastern Fire, N. J.	694,228	158,074	78,511	22,630	200,000	279,521	9,135	85,730	12,469	19.6	
Equitable Fire, S. Car.	1,203,674	17,445	218,047	705	300,000	579,974	—10,577	230,737	108,929	47.	
Ill. F. Ins. of Peoria.	1,436,633	395,333	332,880	28,410	200,000	802,814	304,977	230,204	75,244	32.	
Nat'l. Security, Nebr.	2,460,039	1,087,483	383,169	44,747	1,000,000	870,425	506,629	596,734	262,714	44.	
Old Dominion, Va.	1,465,644	303,120	111,940	15,498	1,000,000	340,617	113,684	137,052	59,677	43.5	
Pioneer Equit., Ind.	181,901	27,461	37,414	11,983	100,000	30,498	8,482	76,838	18,982	24.7	
Rel. F. of Dayton, O.	1,545,623	46,844	460,710	47,477	250,000	789,401	—4,436	403,154	147,689	36.6	
Travelers, Conn.	14,598,363	247,988	8,046,172	516,974	2,000,000	2,116,319	—334,829	8,335,848	3,247,129	38.	
Union Ins., Ind.	493,740	62,317	168,427	30,300	200,000	57,257	32,407	319,386	146,069	46.	
*Began Business in 1929.											
MUTUALS											
	Cash Assets	Total Assets	Unearned Prems.	Cash Surplus	Total Surplus	Premis.	Losses Paid	Total Income	Total Disburse.	Amount At Risk	
Atlantic Mut., Pa.	103,982	104,159	32,409	—	54,694	56,985	19,782	62,311	70,326	9,020,040	
Det. Au. I. Ins., Mich.	3,415,069	3,452,655	1,504,096	1,424,394	1,424,394	3,308,876	1,223,061	3,443,675	2,615,867	—	
Dorchester Mut., Mass.	521,263	1,098,133	165,992	344,250	921,120	125,793	39,369	146,620	130,672	29,699,193	
Farmers Fire, Pa.	1,970,322	2,461,587	859,878	1,282,861	1,282,861	776,294	402,865	889,057	815,744	200,036,366	
Hwys. Mot. Un., Nebr.	74,664	88,741	27,013	—	52,841	102,572	26,221	135,004	110,130	—	
Mansfield Mut., Ohio.	247,450	690,458	74,751	163,233	606,241	131,981	44,325	140,971	127,954	21,794,474	
Mutual Fire, Md.	435,089	1,138,503	73,363	—	219,442	361,458	179,379	386,450	347,499	79,506,272	
Phil. Manuf. Mut., Pa.	—	2,011,434	835,709	533,079	527,217	250,564	54,557	1,042,710	940,517	236,902,845	
Preferred Mut., N. Y.	—	697,072	165,992	—	—	—	89,432	282,176	208,565	43,000,000	
R. Lum. I. Assn., Minn.	139,724	140,929	49,612	91,291	91,291	42,265	17,767	47,646	38,532	17,432,797	
R. Lum. I. I. Ex., Minn.	701,692	715,364	152,019	558,537	558,537	421,149	137,031	519,332	511,746	49,785,826	
Un. R. Mer. Un., Minn.	78,581	79,114	17,946	59,001	59,001	48,578	24,006	55,851	51,493	8,202,603	
V. Auto In. Ex., Minn.	176,908	225,541	108,894	63,896	342,413	342,413	159,516	348,513	294,800	—	
Vermont Mut., Vt.	529,953	987,960	370,690	—	399,230	767,138	490,603	785,220	799,313	*156,568,133	
*Gross Amount at Risk.											

SIXTEEN million gallons of gasoline concentrated in four great tanks. Danger! Without adequate means of controlling fire, many lives might be lost, property worth millions of dollars destroyed, hundreds of persons thrown out of employment, and the oil company's business suffer serious set-back.

This plant was not equipped with a private fire-control system. And even in the

short time it would require municipal fire-fighting apparatus to reach the scene, a blaze might become so great that it would be impossible to approach the tanks for the purpose of smothering the blaze with foam. The White Fireman pointed out this danger. He recommended that pipes be run from the top of each tank to safely distant points where the local fire department's foam apparatus could be connected.

The pipe installation cost approximately \$7500 for all four tanks. Immediately, the property was given a better rating and insurance premiums were reduced \$10,000—a net saving of \$2500 the first year and \$10,000 per year thereafter.

The White Fireman's specialized knowledge of loss-prevention measures is benefiting the owners of all classes of property. It is evident that it pays to enlist his aid.



WHO is the White Fireman? He is used in this advertising to symbolize loss-prevention engineering service—a nationwide service, supported by insurance companies, having for its purpose the reduction of loss-hazards. Consultation on proposed structures, inspection of property, testing of materials and equipment, and many other kinds of technical assistance comprise the work of this service. Ask your North America Agent.

Property Owners may Secure Loss-prevention Service through Responsible Insurance Agents

**Insurance Company of
North America**
PHILADELPHIA
and
**Indemnity Ins. Co. of
North America**

write practically every form of insurance except life
The Oldest American Fire and Marine Insurance Company—Founded 1793

[The advertisement reproduced above appears in full-page size, two colors, in The Saturday Evening Post, February 2nd; Literary Digest, February 9th; Golden Book, Review of Reviews and World's Work for February.]

Generalities have a way of passing peacefully over the heads of the public. Specific examples carry conviction.

This explains the success of the Insurance Company of North America national advertisements which seek to win sympathy and co-operation for the work of the White Fireman (who personifies Loss Prevention Service).

The White Fireman story lends itself to more or less romantic treatment. This has been foregone in favor of sane, straightforward accounts of what Loss-Prevention Service has done. The current advertisement tells how the White Fireman saved one property owner \$2,500 the first year and \$10,000 each year thereafter—beside reducing a serious fire hazard. No heroics—just a simple statement of what really happened.

This type of advertising is impressing millions of readers with the sincerity of insurance companies in their efforts to combat the fire peril. It enables insurance agents, especially the men of North America to meet the public on common ground.

BASSETT EXECUTES ANOTHER COUP D'ETAT

HAS COMMERCIAL CASUALTY

President of the Firemen's Adds Well
Known Newark Company to
His Big Fleet

Neal Bassett, president of the Firemen's of Newark and one of the most resourceful executives in the country, again was thrown into the insurance limelight when it was announced that the directors of the Commercial Casualty of Newark accepted a proposal from the Firemen's to affiliate the companies through an exchange of stock. The stockholders of the Commercial Casualty do not need to take any action. The exchange of enough shares, however, is sufficient to make the arrangement assured. Not less than 67 percent of the outstanding stock of the Commercial Casualty will be deposited with the Fidelity Union Trust Company of Newark as trustee. The Commercial Casualty head office is not far away from that of the Firemen's.

The Commercial Casualty has capital of \$2,500,000, net cash surplus of about

the same amount, and voluntary reserve of \$500,000. During the last five years it has increased its premium earnings materially. During 1927, for example, this item over \$12,082,038. The president is C. W. Feigenspan, chairman of the board of the Federal Trust Company of Newark and president of the C. Feigenspan Corporation. This gives the Firemen's a formidable group. It already owns the Metropolitan Casualty, so the acquisition of the Commercial Casualty will give it two casualty running mates. Recently President Bassett negotiated a deal with the Milwaukee Mechanics to get control of that company through an exchange of stock.

Feigenspan Is Wealthy

President Feigenspan of the Commercial Casualty is one of the wealthy men of Newark and this brings into the Firemen's family an important financial element. After the adjustment of its capital and surplus, incident to the Commercial Casualty and the Milwaukee Mechanics' transaction, the Firemen's will have capital of \$18,500,000, net surplus \$27,000,000, giving surplus to policyholders \$45,500,000. The premiums in the entire group will be about \$50,000,000.

Firemen's Group of Companies

The Firemen's group consists of the following:

Company	Organized	Assets	Capital	Net Surplus
Firemen's	1855	\$40,000,136	*\$9,000,000	\$11,540,857
Concordia	1870	5,250,424	1,000,000	1,682,976
Superior	1871	4,835,369	1,000,000	1,315,051
National-Ben Franklin	1866	4,907,721	1,000,000	1,350,505
Mechanics	1854	4,828,245	600,000	1,407,436
Girard	1853	6,000,966	1,000,000	2,070,371
Metropolitan Casualty	1874	15,295,959	*3,000,000	2,011,211
Milwaukee Mechanics	1852	12,754,329	2,000,000	3,171,545
Commercial Casualty	1910	14,617,554	2,500,000	2,500,000
Capital	1886	760,298	300,000	459,923
Underwriters	1905			

Figures not available.

The combined 1927 premium income of the group as at present constituted was \$54,640,111.

*Capital structure subsequently changed. Paid-in capital of the Firemen's is \$13,500,000 exclusive of shares issued in exchange for stock of Milwaukee Mechanics Insurance Company, control of which company was recently secured. The Metropolitan Casualty, \$1,500,000.

CLASS 3 MEMBERS OF BOARD SEEK RELIEF

MAY TAKE CASE INTO COURT

Attorney Tells Meeting What Courses
Can Be Followed in Rule,
Commission Contest

In a meeting of the Chicago brokers held late last week the basis was laid for what may develop into a court case between the brokers and the Chicago Board. The meeting was called by the committee of seven brokers appointed last December to represent the brokers, who are Class 3 members of the board, in their negotiations with the board. The brokers are protesting against the new board rule which went into effect Jan. 1.

Robert W. Schupp, of the law firm of Follansbee, Shorey & Schupp, addressed the brokers and declared that the new Chicago Board commission code and the new underwriting rules are illegal because in substance they interfere with the right of contract between the brokers and the companies and because they are in effect a combination in restraint of trade. He said the new rules are in violation of the federal constitution.

"The companies have completely eliminated competition so far as rates and terms of policies are concerned," he said, "and the only thing left on which they could base competition for business was to pay higher commissions and the brokers could bargain with the companies as to where they would place their business. We now find the companies and the Class 1 members deciding they must put an end to this competition and deciding what they shall pay for the business."

Mr. Schupp said that the following three courses are open to the brokers:

To file suit to oust the Chicago Board by quo warranto proceedings; to file a petition for injunction to restrain the enforcement of the new rule, or for each broker to file a suit for damages. It was suggested that since the Insurance Brokers Association of Illinois is not incorporated and therefore cannot obtain an injunction for all its members, a test suit in the name of an individual broker should be filed.

The meeting discharged the committee of seven which has represented both the members and the nonmembers of the brokers' association, and transferred to the board of directors of the association the task of continuing negotiations with the Chicago Board. A resolution was adopted calling on all Class 3 board members not to sign the brokerage compliance pledge recently sent out by the Chicago Board and asking those not already affiliated with the brokers' association to cooperate with it in the present controversy.

New York Blue Goose Meets

The splash of the New York City Blue Goose Tuesday evening was successful from every standpoint, the attendance being satisfactory and the entertainment most enjoyable.

A feature of the gathering was the receipt of telegrams from Most Loyal Grand Gander J. Charles Harris and the San Francisco, Oklahoma and Louisiana ponds, all expressing fraternal sentiments and loyalty to the order.

Seek New "Limited Collision" Name

SAN FRANCISCO, Feb. 6.—Percy S. W. Ramsden, secretary of the California Association of Insurance Agents, Harry Benner of the Great American and Phoenix of Hartford, and David H. Walker, San Francisco broker, have been appointed a committee to study and determine the winner in the contest for a new name for "limited collision coverage" now being conducted by the Pacific Coast Automobile Underwriters Conference.

LIFE INSURANCE BROKERAGE

Brokerage Facilities of Demonstrable Worth

All we ask is that you give us the opportunity of presenting our brokerage proposition to you.

We believe that the Brokerage Facilities offered by this agency will satisfy a long felt want in this city. Brokers & Surplus writers now writing or placing or contemplating writing or placing life insurance will find it to their advantage to communicate with us.

FRANK H. DAVIS

General Agent

PENN MUTUAL LIFE INS. CO.

120 S. La Salle St.

Chicago

Franklin 7575

A Fair Underwriting Policy. Fair Rates—Fair Dealings

The FRANK H. DAVIS AGENCY



PERMANENCE

Man has ever sought for permanence in his building. It was this ambition which more than fifty centuries ago reared the great pyramids of Egypt, and it was a similar desire back in 1819 that inspired the founders of a great insurance structure.

Strength, the servant of permanence, was built into the foundations of the Aetna organization just as it was built into those ancient monuments of Egypt.



Aetna Insurance Company
The World Fire and Marine Insurance Co.
The Century Indemnity Company
Hartford, Connecticut

The pyramids stand, but not unchanged. True perpetuity is possible only where there is healthy growth, constant reinvigoration, and fundamental stability.

53rd ANNUAL STATEMENT

Millers National Insurance Company

of Chicago, Illinois

FINANCIAL STATEMENT

December 31, 1928

ASSETS

	Market Value
Government Bonds (Canada).....	\$ 152,000.00
Government Bonds (U. S. Liberty).....	260,000.00
School Bonds	2,399,919.52
Municipal and County Bonds.....	1,100,730.00
Railway Bonds	131,550.00
Traction Co. Bonds.....	35,974.00
Gas and Electric Light Bonds.....	306,750.00
Real Estate Bonds.....	50,000.00
Adjustment and Salvage Co. Stocks.....	400.00
Total Bonds and Stocks.....	\$4,437,323.52

Real Estate Mortgages, First Lien.....	116,843.80
Real Estate	162,931.81
Cash in Bank and on Hand.....	366,561.40
Premiums in Course of Collection.....	321,746.75
Accrued Interest on Investments.....	97,067.73

Total Admitted Cash Assets.....\$5,502,475.01

LIABILITIES

Unpaid Losses, including all reported or supposed losses..\$	175,703.91
Re-Insurance Reserve	2,576,879.45
Accrued State and County and Municipal Taxes	60,000.00
All Other Claims.....	26,000.00
Permanent Fund	500,000.00
Net Cash Surplus over all Liabilities	2,163,891.65
Cash Surplus to Policy Holders..\$	2,663,891.65
Losses Paid Since Organization	23,809,445.66

M. A. REYNOLDS, Pres. F. S. DANFORTH, Secretary
A. A. KRUEGER, Assistant Secretary

IMPORTANCE OF INSPECTIONS

(CONTINUED FROM PAGE 5)

interests. The personality you deal with in any one particular risk is the one which is produced by the property and its reaction on the owner. If the property pays well you have the best he has. If the property is troublesome or a drag you will have his worst, whatever that may be.

"Experience counts and the field is too wide and diversified to suggest methods of inspecting or things to look for, but I have some ideas which should help.

"In all the various sorts of risks there are pretty well established average standards. These appear in the general assembly of the property, style of construction, cleanliness, condition of repair, arrangement of devices and processes and general atmosphere of the premises. These things taken together are the group style or standard. Now, once a man has learned to see these elements, he can use them as points of departure for judging a risk of the group.

Property Index to Owner

"Successful properties usually look the part. Also, able managers will not put up with poor arrangements. So we have a guide to the prosperity of the business and the intelligence and aggressiveness of the management in the character and condition of the property and the method of administration. These things all are interwoven, interdependent and mutually accelerating. Good fortune in selecting a line of endeavor makes a fairly able man successful, and if he is of any stuff at all, he in turn will advance to an outlook not suspected as being within his capacity. Likewise, a reverse in business may chill his interest, abbreviate the opportunity for using his capacity and, if long continued, result in an actual atrophy of the abilities he once exhibited. Resentment against this frequently gives rise to a soured outlook and bolshevik ideas. The methods followed are sure to be a result of two things: The assured's own ability to grasp and do things and the capacity of the business to support such action.

Prosperity Affects Risk

"If methods are good and the business prosperous, it will show in up-to-date arrangements, good repair and wise expenditures. The things to look for here are items which have been overlooked by employees or dangers of which the assured is not aware.

"If methods are good and the business unprofitable, you will probably find the plant shut down. The question is wholly as to the further usefulness of the property. Good business men quickly get out of bad situations.

"If methods are poor and the business profitable, you will find an unsystematic way of doing things, with disorder, refuse and confusion in a good share of the property and evidences everywhere of wasted effort or of parsimonious expenditure. Such a situation is quite characteristic of a business in the hands of miserly or grasping owners, or a business descended from hard working father to lazy son. An element of this sort is evident nearly always in plants running under non-resident direction, or in properties in the outskirts of big cities running under bosses little above the workers in intelligence while the owners direct the factory by telephone from a downtown office. These are cases of 'long distance management.' It is in cases of this kind that one finds antiquated methods or a plant struggling along under handicaps of design or of arrangement of processes. The effort, time and money necessary to correct the fault are too much to ask or expect from such managers.

"Then we have the business where methods are poor and profits are poor. The place is a 'wheeze' from boiler room to warehouse and there is a general aspect of shabby gentility and threadbare-

ness which makes one feel for the owners. The trouble usually is that the owners are getting just a living and have no money with which to advance or improve. If long confronted by such a situation they even lose the ambition to do so. If a change is forced, it is made in the cheapest way possible and if it has to do with a hazardous operation, the installation is rarely safe.

"The care of machines is poor and they are of poor type, labor is underpaid, the plant is undermanned and cleanliness is neglected. Such a risk is a good K. O. no matter how honest the owner may be, for we cannot afford to become partners in his poor methods. He is doomed to failure.

"Of course, you will recognize that the above groupings are merely types. There will be all degrees of modification in between. If you have not been in the habit of inspecting your business you will perhaps be dubious of the advantage of doing so, but if you work along the lines suggested in this paper and keep track of results over a period of years, you will see the advantage of it.

"There are factors working to produce fires which elude any rating schedule and really arise, as I have tried to show, from the personality of the assured, so that where you have an undesirable risk, even though the rate is high and may seem to justify accepting it, in most cases analysis will show that the elements of undesirability are traceable to the attitude of the assured. This attitude probably results in some arrangements which contribute to the high rate, but I can assure you, from an experience of 20 years in this business, that you will have to get several multiples of the rate normal for any particular class before you begin to catch up with the increased probability of loss in any property in the hands of an indifferent owner."

FORRESTAL SECRETARY OF NATIONAL LIBERTY

John A. Forrestal, who has been secretary of the Philadelphia local department of the North America, has been elected secretary of the National Liberty, Baltimore American and Peoples National, with headquarters at the home office. He will have jurisdiction over Pennsylvania, New Jersey, Delaware and the District of Columbia. He went with the Philadelphia Suburban Underwriters Association in 1901, remaining 15 years until he became special agent of the North America in the Philadelphia suburban field. Later he became manager of the Alliance for Philadelphia and then took his present position with the North America.

Honor H. A. Smith

A resolution expressing the high esteem in which the late H. A. Smith, president of the National Fire of Hartford was held, was adopted by the United States Fire Companies Conference and by the Fire Officers Committee (fire) of London. Mr. Smith was president of the former organization for many years prior to his death, and gave to its affairs a service that was most effective.

NOW HOPE TO AVERT ALL COMPLICATIONS

(CONTINUED FROM PAGE 4)
the principle laid down by the National Association of Insurance Agents.

This agency, however, has been sold but the same insurance man will run the agency. L. K. Meek, president of the bank, owns 25 percent of the agency. If there is any financial coercion or pressure used then the issue will be as live as it has been before. If the agency is operated as any other local office without pressure from the bank, the matter will probably be closed. The whole affair depends on the future action of the bank and the insurance agency.

HOME WILL CONTINUE PRIZE POSTER CONTEST

FOR HIGH SCHOOL STUDENTS

Agents Secure Favorable Publicity by Stimulating Interest in Fire Prevention Methods

NEW YORK, Feb. 6.—The Home of New York is continuing what has proved very successful, a prize contest for the best fire prevention poster designs. Open to high school students, its purpose is to create a better understanding of the causes of fires and methods of preventing them, both among the students and the public who will later see the posters when exhibited.

The contest is centered around the Home agent, who will conduct it in his local high school with the cooperation of the superintendent and art supervisor. He may offer such prizes as he wishes. Last year most agents gave \$10, \$5 and \$2.50 in gold pieces. The three or four months between now and school closing time give ample time for the designing of these posters to be taken up as a regular problem, as was the case last year. Judging and exhibiting all take place before the school closes.

Creates Lively Interest

It offers the Home agent an opportunity to create a lively interest in fire prevention. In addition the possibilities for a splendid amount of publicity are unlimited. At the inception of the contest, through the students and the newspapers he will get his first bit of public limelight. Later when the posters are exhibited and judged comes the second bit of publicity and then again in the announcement of the winners of his local contest.

But the local agent does not cease to benefit then. He sends his first prize winning poster to the advertising department of the Home of New York for entrance in the national contest. The prize winning posters from Home agents all over the country will compete for the three national prizes of \$100, \$50 and \$25.

Jury Awards Prizes

These awards will be announced just prior to fire prevention week in October. They will be judged by a jury consisting of a prominent advertising man, a well-known artist and a prominent insurance man. And then, as last year, the prize winning poster will probably be reproduced and distributed throughout the country during fire prevention week.

During that week the Home agent can revive all the publicity and interest created during the spring. The posters can be reexhibited and he can successfully tie-up his agency with the entire enterprise all over again.

Through "News from Home," the Home's agency publication, the complete details of the contest go to all agents. It is anticipated that many will enter because of the several opportunities it offers. The advertising department of the Home will furnish special announcement posters, folders giving full particulars and requirements, application blanks, prepared publicity articles for their newspapers, and other material to assist their agents in making the contest a success.

Companies Licensed in Illinois

The Great States of Dallas, of which Gross R. Scruggs is president, has been licensed in Illinois. The Western of Seattle, running mate of the General of that city, has been licensed. The Germanic Fire, 122 East 42nd street, New York, of which N. P. Robertson is manager, has been admitted. The American Home Fire and the American Constitution Fire, 111 William street, New York, both affiliated with the Stuyvesant, have received their Illinois licenses. All are nonaffiliated companies.

INSURANCE COULD GIVE AVIATION GREAT BOOST

E. A. DEEDS, EXPERT, SPEAKS

Addresses Annual Banquet of Hartford Commerce Body—Says Hazards Decline

HARTFORD, Feb. 6.—"If insurance interests would study and back up aviation they would give aviation a boost comparable to the one received in Colonel Lindbergh's flight," stated Col. E. A. Deeds, chairman of the United Aircraft & Transport Corporation and the Niles-Bement-Pond Company, at the annual banquet of the Hartford chamber of commerce.

He stated that the hazard of flying had been minimized and emphasized again and again that aviation's greatest need at the present time is insurance. He stated that in 1927, 39,327,484 miles were flown in this country,—of which 14,000,000 were commercial, 14,800,000 represented in army flights and 10,400,000 in navy flights. The number of passengers carried was 476,724, with 2,548,000 pounds of freight. Fatalities in organized air mail and transport companies averaged one fatality to every 1,600,000 miles flown. In unorganized flying by unlicensed pilots the fatalities were one to every 360,000 miles flown, 80 percent of all fatalities being in unlicensed planes.

The banquet at which Colonel Deeds spoke was broadcast from the Travelers station, WTIC, and held considerable insurance interest. The toastmaster and general chairman was Clarence T. Hubbard, assistant secretary of the Automobile. The president of the chamber of commerce, Samuel Ludlow, Jr., is manager of the Registered Mail Pool and well known for his reinsurance activities.

Iowa Blue Goose Luncheon

Byron Tusant, Des Moines construction engineer, spoke on the subject "The Installment Plan of Buying" at this week's meeting of the Iowa Blue Goose. Next week Dr. Arthur M. Brooks will speak on "Life of Lincoln."

A new system of handling programs has been worked out with a chairman named for each month. R. W. Moorhead, editor of the "Underwriters Review," Des Moines, is February chairman. Jack Dempsey, Des Moines representative of THE NATIONAL UNDERWRITER, will be March chairman.

National Union Capital

The directors of the National Union have voted to issue 10,000 additional shares of stock at \$200 a share, the par being \$100. Of the sum \$1,000,000 will be added to capital and \$1,000,000 to surplus. This will make \$5,000,000 capital.

Department Reports on Company

An examination of the Connecticut Plate Glass by the Connecticut department has just been completed. The examination covers the history of the company from 1923, when it began business, until Oct. 31, 1928.

Net premiums received for the first 10 months of 1928 amounted to \$29,001 and the total income for the same period was \$38,832. The total disbursements for the 10-month period were \$29,686. The net surplus as of Oct. 31, 1928, was \$60,489.

For the entire period its earned premiums amounted to \$139,539. Incurred losses totaled \$51,225 and incurred expenses came to \$77,607. The underwriting profit for the period amounted to \$10,706. Its investment profit for the same period was \$48,001, making a total profit of \$58,708.

W. T. Randall, well known in Indianapolis insurance circles, who has been associated with Randall & Tilman, has withdrawn from that connection and will conduct an independent agency. He has taken office quarters with the George L. Ramney Agency in the J. F. Wild building.

WOULD TURN RAILROAD INSURANCE TO AGENTS

PLAN IS FOR LOCAL MEN

Would Compel Roads to Buy in State Coverage on Their Building Properties

TOPEKA, KAN., Feb. 6.—Holmes Meade of Topeka, representative from Shawnee county and chairman of the committee on insurance, has introduced in the Kansas legislature a bill to compel railroad companies to obtain insurance on buildings within this state from local agents. At least the local agents would get a chance at part of the commission by reason of countersigning the policies.

For years there has been a sharp controversy in this state over the railroad business. The new insurance code provided that railroad business was the only kind of insurance that could be written by fire companies in the state without the signature of a resident agent. The Meade bill proposes that the companies may write insurance on the rolling stock of the railroads without a countersignature but that the insurance on all warehouses, stations, storehouses, bridges and every other structure permanently located within the state must have the countersignature of a resident Kansas agent.

Clarence Dodge of Salina, a building and loan man, has introduced a bill which would require reciprocals to pay the same premium taxes and fees as stock companies. The reciprocals are now exempted from the payment of as high premium taxes and fees as the stock companies writing business in Kansas, and the Dodge bill is intended to remove this discrimination.

Agricultural Assets Increase

As a result of its 1928 operations the Agricultural of Watertown increased its total assets by \$1,530,578 and its net surplus by \$611,900, making these figures \$15,072,000 and \$4,175,964 respectively.

Can Get Collision Credit

SAN FRANCISCO, Feb. 6.—Members of the National Automobile Club of California may now receive the 15 percent credit for collision insurance from conference companies without regard to any other form of coverage in the same policy or in the same company, according to an announcement made by the Pacific Coast Automobile Underwriters Conference.

Heretofore it has been necessary, in order that the assured enjoy the benefit of the reduction in connection with this collision premium by reason of his holding membership in the National Automobile Club, to have three forms of coverage under one policy.

The credits are 15 percent of the premium on full collision coverage and 20 percent on limited, \$50 and \$100 deductible collision forms, with a limit of \$10 on any one policy and limited in all cases to private passenger type automobiles.

THERE IS NO SUBSTITUTE

There is no substitute for work. Salesmanship without plenty of leg-work is as useful and as fatal as shooting at the bear with blank cartridges. In basket ball the big idea is to shoot the ball through the basket. The best shot on the team is no good to the team or himself unless he tries for his baskets. So, the most skillful salesman, is a failure unless he makes many contacts and many attempts at sales. It can be guaranteed that an intelligent man will make more for himself and his family in the insurance business than in almost any other profession, if he has the will power to make himself work and make his calls. Set your goal to call on at least ten different men each day—and don't count it a call unless you actually see the man. If you can make yourself do this you will make good.

DANGEROUS RULING IS MADE ON FIRE POLICIES

WOULD ENTAIL MUCH WORK

Court Says That Any Policy Changes Must Be Made Known to Assured

MADISON, WIS., Feb. 6.—A ruling highly dangerous to insurance companies has been made by the Wisconsin supreme court in regard to changes in fire insurance policies. The court holds in effect that if the renewal differs from the previous policy the changes must be brought to the attention of the assured. Just how this is to be done is not indicated. Nearly every fire insurance policy differs in some point from the preceding one.

Senator H. C. Martin of Darlington during his lifetime had his house insured in 1915. Afterwards the standard policy law was enacted or amended and on renewal the vacancy permit included in the standard policy law was used. The court said:

"There was no legal bar to the granting of the same vacancy permit in 1921 and 1924 that was a part of the policy of 1915. The fact that it required an additional premium of 54 cents for each three-year period did not justify the issuance of a policy carrying a less degree of protection than was intended by both parties. Defendant should have attached to the policy the (new) rider and charged the extra premium."

CONVENTION DATES

Feb. 18-19—Association of Fire Underwriters of the Northwest, Chicago.
March 12-14—National Association of Insurance Agents, mid-year meeting, Birmingham, Ala.
March 15—Connecticut Insurance Day, Hartford.
May 9-10—Texas Agents, Mineral Wells.
May 13-16—National Fire Protection Association, Memphis.
June 4-6—Health & Accident Underwriters Conference, Chicago.
Sept. 17-19—Insurance Commissioners Convention, Toronto.
Sept. 30-Oct. 5—National Safety Congress, Chicago.
Sept. 30—Casualty Conventions, White Sulphur Springs.
Oct. 1-4—Blue Goose Grand Nest, San Francisco, Cal.
Oct. 6-8—Insurance Advertising Conference, Cleveland.

FIRE RETURNS BY STATES

NEW YORK

F.—FIRE; T.—TOTAL

Assoc. Reins., N. Y. F.	21,478	2,900
T.	21,658	2,900
N. Am. Inter.-Ins. N. Y. F.	38,275	419
T.	38,275	419
Atlantic Mut., N. Y. F.	2,953,669	338,417
T.	15,201	5,274
Suffolk Co. Mut., N. Y. F.	447,698	144,256
T.	452,615	147,803
Cosmopolitan, N. Y. F.	16,755	.....
T.	17,011	.....
Great American, N. Y. F.	2,814,066	1,122,596
T.	2,773,258	1,535,348
Northern of N. Y. F.	383,327	154,995
T.	781,105	170,585
Rochester Am., N. Y. F.	29,699	1,167
T.	29,983	1,167
Mass. F. & M., Mass. F.	97,957	38,380
T.	99,297	52,152
Raritan Valley, N. J. F.	1,897	.....
T.	1,897	.....
Hope Mut., R. I. F.	119,416	6,880
T.	119,416	7,875
Millers Mut., Tex. F.	60,105	33,635
T.	148,574	65,284
Penna. Lumb., Pa. F.	9,196	3,324
T.	9,196	3,775
Whit Cheer Mut., R. I. F.	122,925	6,964
T.	122,925	8,628
Genl. F. Assur., France F.	44,327	22,069
U. S. Branch	44,327	22,069
Switzer, Genl., Mar., U. S. Branch	456,207	825,369



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8th Floor, Hurt Bldg.

BUSINESS ENTERING TRANSITION PERIOD

(CONTINUED FROM PAGE 3)

petition, saying in part: "The unsettled conditions resulting from various forms of competition have placed company executives in a situation of uncertainty regarding the future conduct of the fire insurance business as a whole. When we stop to consider the situation we realize that it is passing through a transition similar to that of many other lines of endeavor."

Guard Against Greed

"Our concern regarding these changes is not entirely one of underwriting, for it prompts us to analyze our own operations carefully to ascertain whether we should not prepare ourselves for the new order. Greed for premium income is an evil that should be guarded against lest it prove to be our undoing. It is not denied that individuality is an inherent right of company operation, but individual activity should not infringe on the common good, but rather should be sacrificed when the common good of our business is at stake. It is apparent that we should seek every possible means to keep our operations free from attack and criticism and we should so conduct our affairs that no finger of suspicion can be justly pointed in our direction." He declared that he had no sympathy with those who advise the dissolution of the Pacific Board as a cure for the troublesome conditions with which the business is faced, saying: "Whatever success the business of fire insurance has attained in this territory we owe to the Pacific Board and the future success will be based on its continuance."

Must Take Unselfish Attitude

He decried "the acts, foolish offers or promises" of some companies in their contacts with their agents when such offers or promises are in direct violation of board rules and regulations, stating that it is an extremely difficult task for the field man to hold up to the agent the virtue of the board and solicit his loyalty and support under such conditions. "As soon as the individual members look at all problems confronting the board with an unselfish view and are willing to make sacrifices, in certain selected localities and spots, just so soon will normal conditions obtain, and continued prosperity be assured, under board jurisdiction; just so soon, too, will your special agent, the man in the first line trenches, meet with the measure of success hoped for by the members of the board, through its executive committee."

Lack of Conferences Cited

Expressing himself as believing that the special agents are in the best position to pass on matters affecting the field, he suggested a closer contact between the respective advisory committees and the special agents' organizations, with occasional conferences. "The attitude of these advisory committees in the past," he said, "in visiting a state to deal with an unsatisfactory situation and wholly ignoring the special agents, either as a committee or as an association, is not conducive to good results. Failure to confer or consult with the men, whose duty it is to keep informed on matters of vital importance to their principals, places these men in an improper light, with the representative agents of the community, and, if we are to admit that some of the trouble in the Pacific Northwest is chargeable to the companies—and a measure of it cannot be denied—we can attribute it, in part, to this method of procedure of the advisory committees."

Got Rates from Mutual

"The field man is primarily the company, out in his territory, and should be placed where he will command from the agent and the public such respect as befits his position. Companies should ever be on the alert to safeguard the respect of the agents for the field man. Picture, if you please, field men calling on local agents for advance copies of deviations

from rates filed in Oregon last year, which a few companies had sent to their agents, as advance information. Or imagine the sensation of the field man calling on the Northwestern Mutual, the chief source of supply, for an advance copy of this same deviation filed by his own company and in which the mutual was interested only as a competitor. These unfortunate situations are the result of a selfish desire, on the part of certain companies, to strengthen their position with their agents, regardless of its effect on board companies in general."

Urges Fire Prevention

Mr. Reynolds declared himself in favor of the elimination of economic waste through the passage and adoption of uniform insurance laws throughout the 48 states. He also paid a glowing tribute to the efficacy of the International Association of Fire Chiefs' campaign against fire waste, urging more care in inspection work on the part of those present. He also urged them to prepare and have available a concise address on fire prevention that might be delivered before service clubs and similar organizations when the opportunity presented itself. "This medium," he said, "might also be utilized and extended to advantage in advising the public of the functions of fire insurance and the position it occupies in the world of affairs. We devote much time and effort in educating ourselves and in keeping informed on our business and its kindred lines, but we need to go further and educate the public."

Time for Advertising

He suggested, in referring to the work of the National Board in its advertising campaign, that it would be timely for this campaign to be extended to the states of the Pacific Northwest in the immediate future.

Education of the younger men in the business was also touched upon by Mr. Reynolds, who said that the future of the fire insurance business is as dependent on the association's success in training young men for positions in the next decade as it is on the success of the companies and field men in maintaining an agency plant to a satisfactory standard. The work of the National Association of Insurance Agents along educational lines was complimented by the speaker.

Conducive to Bad Practices

Referring to the future of the American agency system, he said: "Is it not quite possible that the condition of the agent is very largely what we have made it? The large number of companies competing for business, many of them new in the field and willing to go to extremes to gain favor with the agent, cause a condition among local agents that is not conducive to standard practices. Strict adherence to the higher principles of underwriting will reflect in like measure to local agents now as in former days as the fine fabric of mankind still maintains."

Old Time Loyalty Passing

Continuing, he said: "It is regrettable that the old time loyalty of the local agents to the staunch board companies is rapidly passing, not only in this territory but over the entire country. For many years most companies carried special hazards with little restriction, wrote jumbo lines for their leading agents and accepted accommodation risks without more than casual query. In recognition of this service the local agent was a most loyal individual and the company saw, in an agency plant of this type of representatives, a veritable fortress of strength and power. Unfortunately, this situation has changed. Special hazards are written in moderate lines, jumbo lines are rarely heard of and an agent must have an extremely favorable classification to justify a company in refraining from cancelling the undesirable or accommodation risks; at the same time the agents' expense of operation has gradually mounted upward and the field has become more and more honeycombed with stock companies without affiliation.

"The agent is impressed with the excess



When
 Washington delivered his
 Farewell Address in 1796, the
 "Phoenix" had been provid-
 ing dependable protection
 for fourteen years . . .

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or contingent commission offers from these companies which, on investigation, are found to have a good reputation for paying losses and their service in carrying lines is fully equal to that of his board companies. The result is, that in place of the stalwart, unwavering agent of yesterday, devoting his time to the development of fire business, we have a restless agent who views every act of the fire insurance company with suspicion and skepticism, and as an alternative, devotes his time, for new production, to the casualty and surety business where less strife is encountered. This condition cannot endure and the earlier we seek a remedy, by cooperating with the National Association of Insurance Agents, the earlier will there be a restoration of the loyalty and faithfulness to our principles, on the part of the local agent."

Atlas Special Speaks

Discussing "Rent, Rental Value and Leasehold Insurance," Howard B. Speer, special agent of the Atlas Assurance at Seattle, Wash., pointed out that "the underwriter should not indulge in following the insurable interest too far into the theoretical but confine his activity to providing indemnity in those instances where a prospective pecuniary loss is apparent and its extent reasonably determined. Our profession should avoid the erection of sources of potential litigation."

After explaining in detail the policy form, and its application, Mr. Speer then cited specific cases, showing exactly how they should be handled in writing this form of coverage. Referring to the reduced rate average clause he stated that there has been some difference of opinion as to whether it was the intention of this clause as used in the prescribed form, to include values gross, or net. "The writer," he said, "has consulted with leading attorneys and adjusters and it seems to be the consensus of opinion among these authorities, that the terms of the reduced rate average clause are complied with, if the insurance is written to protect net income."

Hawaii Man Speaks

Referring to the objections made to writing "Leasehold Insurance," he pointed out that a great many of these objections are based on use of improper forms or cases where the prospect's interest is remote, or not easily appraised. "The Pineapple Industry in Hawaii" was treated by Bernard Froiseth, secretary of the Hawaii Rating Bureau, Honolulu.

Must Change Cautiously

Discussing "Proposed Simplification of Proposed Tariff Rating," J. H. Branscomb, manager of the Idaho Surveying

& Rating Bureau, Boise, presented a highly technical paper in which he considered present methods of grading various cities and towns and making numerous recommendations and suggestions for simplifying these gradings so that they may be more readily understood by special and local agents.

Mr. Branscomb said "the expense and labor incident to a general change of tariffs makes imperative a careful study of any new plan before its adoption, and I invite your earnest attention to and criticism of this proposal—which, in brief, is that of a basic or master tariff based on classifications under the National Board grading schedule." He presented maps of comparative ratings in a class 10 town and a class 7 town to illustrate the exposure and the methods of rating under his suggestions.

Honor Deceased Members

Prior to President Reynolds' address, those present stood in reverent memory of the following who have passed away during the present year: Charles H. Hay, special agent, Crum & Forster; Robert

D. Hunter, Firemen's Fund; C. C. Kinney, vice-president, Marsh & McLennan; H. B. Solin, special agent, Chapman & Co.; John N. Waters, Carl A. Henry; C. A. Schlingheyde, independent adjuster; Frank W. Hosmer, London Assurance.

The following were designated as life members due to their 25 years of active membership: Frank J. Agnew, Fireman's Fund; Walter E. Bliss, North America; F. H. Farr, Royal and Queen; W. G. Fortmann, New Zealand; John H. Fuller, Aaron Insurance Agency; C. D. Gabrielson, Royal and Queen; V. H. Quitzow, New York Underwriters; R. E. Rountree, Liverpool & London & Globe; Kenneth Watson, Watson & Taylor; Charles A. Wendler, Edward Brown & Sons.

An outstanding feature of the opening session was the mark of respect and affection paid Mrs. J. P. Moore, librarian of the association, who is now in her 84th year. Mrs. Moore, who is affectionately known as the "Mother" of the association, reported on the numerous contributions during the year and the growing interest in the library.

CHANGES IN THE FIELD

GREAT AMERICAN'S CHANGES

Promotions and Transfers Among Field Men Have Been Announced by Company

Several important changes in the field staff of the Great American are announced by its management. Herbert J. Hill is transferred to Philadelphia as manager of the office of the County Fire of that city. He was previously an executive special agent at the Great American's home office. John G. Loose, formerly agency supervisor, becomes executive special agent at the head office, being succeeded in the former connection by William B. Ragsdale, previously West Virginia state agent.

Thomas J. Southerland, formerly special agent in Virginia, goes to the head office as agency supervisor in the southeastern department. Charles N. Hagen, previously special agent in New Jersey, is transferred to the home office, the New Jersey field hereafter to be in charge of Special Agent Horace G. Boyle. West Virginia business will be supervised by Horace B. Lindsey as state agent and Andrew S. McNab as special agent. The former is promoted from a special agency in North Carolina, while Mr. McNab is a graduate from the home office.

THOMSON TO JAMES GROUP

Becomes State Agent of the Three Companies in Kentucky and Ohio Territory

Fred S. James & Co., United States managers of the Eagle Star & British Dominions, Urbaine and General, announce the appointment of John H. Thomson as state agent for Ohio and Kentucky. He succeeds O. P. Rush, who has returned to his old field in the southwest.

Mr. Thomson has for the past two and one-half years been special agent for the Hanover Fire in southern Illinois. Prior to going with the Hanover, he was for some time connected with the Ohio Inspection Bureau, having joined it when he left the Ohio State University. He will make his headquarters at Columbus.

E. N. Harriman

Edward N. Harriman, for the past three and a half years with the New York Underwriters as special agent in the special risk department for the New England field, has resigned to join the staff of the Boston agency of Gilmour, Rothery & Co.

Mr. Harriman is a graduate of Clark

University, joined the engineering staff of the Underwriters Bureau of New England and traveled in that territory for four years. In 1923 he entered the office of A. and J. H. Stoddart in New York city as an examiner in the special risk department of the New York Underwriters. He went to Boston in June, 1925.

TAKES ILLINOIS POSITION

C. H. Dachenbach, State Agent of the Crum & Forster Companies in Kansas, Succeeds Funkhouser

C. H. Dachenbach, Kansas state agent of the Crum & Forster companies, has been appointed Illinois state agent succeeding W. T. Funkhouser of Decatur, Ill., who has resigned to form a general agency at Olney, Ill. Mr. Dachenbach has been with the Crum & Forster organization for 10 years and is thoroughly familiar with its business policies. There will be no other change in the Illinois personnel. Special Agents King, Gregg, Davidson and Friesenecker continue as heretofore. Mr. Dachenbach takes charge in Illinois March 1. He will be succeeded in Kansas by W. S. Clark of Ottawa, his assistant who has been with Crum & Forster for a number of years and is one of its trained men.

HESSE CHOSEN SUPERVISOR

Will Have Charge of the Field of Tokio and Standard in the West

Fred O. Hesse of Des Moines, a member of the general agency of McKinney & Hesse, has resigned to become agency supervisor of the Tokio and Standard Fire of New York in Illinois, Indiana, Ohio, Michigan, Wisconsin, Missouri, Kentucky and Tennessee, with headquarters in the company's office in the Insurance Exchange in Chicago. Mr. Hesse is well known throughout the field, having been state agent of the Norwich Union Fire in Wisconsin for nine years before going to Des Moines to form a partnership with Mr. McKinney. He has been 30 years in the business. The Tokio and Standard through this method of supervision expect to give a larger service to their agents and extend their facilities materially.

Kenneth J. Cole

An accession to the field staff of the Yorkshire group is Kenneth J. Cole, who has been appointed special agent for the companies in New York, supervising the

COSMOPOLITAN FIRE INSURANCE CO.

92 WILLIAM STREET, NEW YORK, N. Y.

(Company began operations in October, 1928)

FINANCIAL STATEMENT: DECEMBER 31, 1928

ASSETS

Investments:	
U. S. Gov't and Railroad Bonds.....	\$ 420,000.00
Railroad, Public Utility and Industrial Stocks.....	1,626,245.00
Collateral Loans	400,000.00
Cash on Deposit.....	88,825.18
Premiums in Course of Collection.....	71,428.71
Accrued Interest	6,634.94
	<hr/>
	\$2,613,133.83

LIABILITIES

Reserves:	
For Unearned Premiums.....	\$ 99,556.85
For Unpaid Losses.....	2,033.00
For Commissions, Taxes and Other Liabilities.....	3,500.00
VOLUNTARY RESERVE	508,043.98
CAPITAL STOCK	\$1,000,000.00
NET SURPLUS	1,000,000.00
Surplus to Policyholders.....	2,000,000.00
	<hr/>
	\$2,613,133.83

OFFICERS

ROBERT ADAMSON, Chairman of the Board

JAMES LEE KAUFFMAN, President
JAMES A. BLAINEY, Vice-President and Secretary
FRANCIS E. STORER, Treasurer
W. A. RATTELMAN, Assistant Secretary
M. L. FITZPATRICK, Assistant Treasurer

HENRY W. WILSON, Vice-President
A. F. HANCOCK, Vice-President
EUGENE T. WARNER, Vice-President
J. LINFIELD DAMON, Vice-President
HENRY L. LANG, Vice-President

EXECUTIVE COMMITTEE

ROBERT ADAMSON

JAMES A. BLAINEY
R. A. CORROON
J. LINFIELD DAMON
V. R. HALSEY
A. F. HANCOCK

JAMES LEE KAUFFMAN
W. S. KIES
FREDERICK S. ROBINSON
FRANCIS E. STORER
HENRY W. WILSON

UNIVERSAL AUTOMOBILE INSURANCE COMPANY

Financial Statement December 31, 1928

ASSETS		LIABILITIES	
U. S. Government Bonds.....	\$ 106,625.00	Reserve for Unpaid Losses.....	\$ 96,964.00
Other Bonds and Stocks.....	761,886.25	Reserve for Taxes.....	15,816.46
First Mortgage Loans on Real Estate..	281,645.00	Reserve for Unearned Premiums.....	569,321.45
Collateral Loans	77,250.00	Reserve for Contingencies.....	1,652.87
Cash in Banks and on Hand.....	60,839.85	Accounts Payable	3,220.90
Agents Balances Receivable.....	210,409.53	Capital	\$500,000.00
Accrued Interest	18,331.38	Surplus	347,388.67
All Other Assets:.....	17,377.34		
		Surplus to Policyholders.....	847,388.67
Total Assets	\$1,534,364.35	Total	\$1,534,364.35

Operating in Ohio, Indiana, Tennessee, Missouri, Kansas, Colorado,
Iowa, Idaho, Montana, Washington, Oregon, California, Arizona,
Oklahoma, Arkansas, Louisiana and Texas

DIRECTORS

J. E. JARRATT, San Antonio,
Pres. J. E. Jarratt & Co.
EDWARD T. HARRISON, Dallas,
President.
R. A. BELKNAP, Dallas,
Active Vice-Pres. and Sec.
ISAAC BLEDSOE, San Antonio,
San Antonio Music Co.
THOMAS FLAXMAN, Houston,
Pres. Flaxman Dry Goods Co.
J. M. HIGGINBOTHAM, JR., Dallas,
Vice-Pres. Higginbotham-Bailey-Logan Co.
C. R. MILLER, Dallas,
Pres. C. R. Miller Mfg. Co.
C. L. KERR, Houston,
Gulf Refining Co.
R. W. HIGGINBOTHAM, Dallas,
Pres. Higginbotham-Bailey-Logan Co.
N. P. SANDERSON, Texarkana,
Pres. Texarkana Bldg. & Loan Assn.

B. R. WEBB, San Antonio,
Buick Motor Co., San Antonio Branch.
J. M. CARY, Houston,
Pres. A. P. Cary Co.
HUGO W. SCHOELLKOPF, Dallas,
Pres. The Schoellkopf Co.
MARRS MCLEAN, Beaumont,
Capitalist.
R. B. ROGERS, Brownwood,
Capitalist.
JOHN W. WHEELER, Texarkana,
Pres. Texarkana Nat'l Bank.
J. M. RADFORD, Abilene,
Pres. Radford Grocery Co.
H. H. BRYANT, San Antonio,
San Antonio Buick Co.
O. D. BRUNDIDGE, Dallas,
Attorney.
P. R. FREEMAN, Dallas,
Pres. Freeman-Lindsley Inv. Co.

AUTOMOBILE INSURANCE EXCLUSIVELY

A World of Protection—A Specialized Service





EVERY ATLAS EXECUTIVE IS YOUR PERSONAL FRIEND

Soon after you've joined the Atlas family—if not before—you become acquainted with all the executives of this progressive company. Moreover, you get to know them and to know them well. You can count on every one as your personal friend.

This personal friendship between you and the members of the company you represent means a lot to you, for it makes your business transactions with Atlas more pleasant and more satisfactory.

How much better it is to deal with people you know well and who know you! You're always right at home. There is always a perfect understanding. And whether the business is done by letter, by telephone, or by personal contact, it is bound to be satisfactory.

Recognizing the value of such friendliness to you and your agency, isn't it worthwhile to begin to become fully acquainted with this company now? Just a letter from you will bring all the information you desire—without any obligation.

Atlas

Casualty Company

EXECUTIVE OFFICES
Fort Wayne, Indiana

OPERATING IN INDIANA, ILLINOIS, OHIO, MICHIGAN,
MISSOURI AND PENNSYLVANIA

up-state territory previously covered by R. D. Mould, who has been transferred to the suburban field, including the Hudson river district. Mr. Cole will make headquarters in Rochester, and look after the interests of the Yorkshire, London & Provincial, Seaboard Fire & Marine and the Yorkshire Indemnity.

W. Y. Young

William Y. Young, recently appointed executive special agent throughout the eastern territory for the Peoples Fire of Maryland, was formerly secretary-manager of the Fire Insurance Society of Newark, before that in turn traveling northern New Jersey for the Fire Association.

B. C. Wuersch and V. V. Roby

Baldwin C. Wuersch, state agent of the Travelers Fire, traveling out of Denver, has been promoted to manager of the company's branch office in Pittsburgh. He is succeeded by Virgil V. Roby, who has been special agent in Indiana traveling out of Indianapolis.

J. P. Cornell

Joseph P. Cornell has been appointed Wisconsin state agent for the Automobile, succeeding E. M. Schimmels, former state agent, who has resigned to engage in other activities. Mr. Cornell for several years was special agent in Michigan under State Agent E. J. Carter, and the past year special agent in Illinois under State Agent A. J. Meyer. He was formerly a local agent and is well versed in all branches of the fire and marine business.

Henry L. Larsen

Heretofore the Fireman's Fund has had one state agent for North and South Dakota. L. E. Swanson will hereafter have South Dakota alone. Henry L. Larsen has been appointed state agent for North Dakota and will make his headquarters at Fargo. Mr. Larsen has been state agent in Minnesota, North and South Dakota for the Norwich Union. Mr. Swanson will continue his headquarters at Aberdeen, S. D.

S. A. Mehorter

Samuel A. Mehorter, recently at the head office of the North America, is again in the north Jersey field as a special agent for the company in Essex county. The North America is an aggressive seeker for business in the territory, where it has several unusually able field men at work.

E. M. Schimmels

E. M. Schimmels is now Wisconsin state agent for the Phoenix of London group succeeding George E. Schweers, recently resigned to enter the Chicago office of the Glens Falls. Mr. Schimmels, who has established his office in the Underwriters building, Milwaukee, formerly traveled Wisconsin for the Automobile of Hartford.

W. D. Hunter, H. A. Sanford

William D. Hunter of Albany, N. Y., special agent of the Westchester in New York State, has been retired by the company on an allowance. He has been in the company's service for 28 years. He is now introducing his successor, Hugh A. Sanford, to the field. Mr. Sanford has been transferred from Pittsburgh to Albany. Mr. Sanford also will represent some of the Crum & Forster fleet as special agent.

SPOKANE LOCAL AGENT ASSAILS BOARD'S WORK

(CONTINUED FROM PAGE 3)

that your final action was brought about only by the urgent and tearful pleas of your local field forces and by the rather heavy casualties which were beginning to be noticeable within your ranks.

"We, your disciples in the field, were not properly taught or equipped to meet

this competition. We were told that it was trivial, socialistic, based on false principles, temporary, impossible of success, and to be belittled. Personally I do not think that such methods of propaganda so commonly used by our forces were or are intelligent or proper forms of competition. Is it not much more effective and stimulating to win at the game by so improving ourselves that we may surpass an opponent on the strong features of his game rather than to count upon his weaknesses, real or imaginary?"

Brought Troubles to Head

Continuing Mr. Anthony said: "For many years we agents have felt the desirability and, in fact, the necessity of a closer and more definite and official cooperation between the Washington conference of the Pacific Board and an organization of our own. This, due to our urgent requests and the friendship of a few of your members has been in part brought about, and if it has done nothing more it has, in its preliminary state, brought to a focus many disquieting situations heretofore overlooked. Possibly this contact is one of the causes of the present turmoil, on the same basis that a good dose of salts may bring about temporary discomfort."

Improvements Necessary

"We do not feel that the board has entirely kept faith with the public," said Mr. Anthony. Personally in this phase of the question I hold no brief for the local agent. In fact, as it is today, I sometimes question the value or the permanency of the so-called American agency system. Will it continue to be a necessary factor in the efficient operation of the great institution of insurance? Only with improvements. By keeping faith with the public I mean not only remaining solvent and paying losses, but also the prevention of losses through intelligent service, the elimination of waste in operating and the equitable segregation of rates. Undeniably there has been in our group or school of insurance duplication of costs, inefficiency in servicing and selling operations, internal strife, inadequate segregation of rates; all weaknesses in our manufacturing and distributing processes.

Meet Competition Sincerely

Summing up the definite conclusions which have come to him out of the recent discussions, Mr. Anthony said: "In the first place, we must study the competition with which we are confronted. We must meet it sincerely and intelligently. It seems foolish to belittle it, to legislate against it, or to try to smother it with unfair methods. Rather, we should so perfect and reorganize our own systems and methods of operation that may become superior to it and thus remove it from our thoughts. We have many points of advantage as a foundation. Individual and temporary sacrifices must necessarily be expected. If you are to operate and compete collectively, in other words, through the Pacific Board (or Washington conference) the welfare of the group rather than of the individual must naturally then be considered. Our methods of operation must be those beneficial to our group, even though they be detrimental to a minority of individual cases. But if you are to compete aggressively and individually within your ranks and at the same time with an outsider, it would seem that the board should relinquish in great measure its hold and restriction upon your methods of operation, so that either through individual initiative or through some other more flexible and efficient combination you may be permitted to forge ahead."

Discount Company Increases Capital

The Premium Discount Corporation, a Rochester organization formed nine months ago to finance insurance premiums for agents and brokers of western New York, proposes increasing its capital from \$10,000 to \$100,000, added patronage making this procedure desirable.

WILL SCRUTINIZE NEW ONTARIO AUTO RATES

COMMISSION TO BE SET UP

Attorney-General of Province Issues
Official Statement Criticizing
Companies

Attorney-General Price of Ontario province announces that an investigation into automobile rate increases recently promulgated in the province is to be made soon. The personnel of the committee of investigation has not yet been announced. The body will have full powers of investigation and will hear testimony for both sides. The attorney-general has criticized the manner in which the rates have been promulgated, and in an official statement he says in part:

"It cannot be said that the insurance companies adopt the correct method in making this increase in rates. It would have been very much better if they had come forward six months ago and placed their case before those in charge of insurance in the various provinces throughout Canada so that if an increase in rates were necessary, the superintendents of insurance in the various provinces would have had an opportunity of investigating and ascertaining whether such rates were justified.

Action Forced, Claim

"The fact they have not done so forces the government at this juncture to appoint a commission to investigate. To a great extent it puts the companies on the defensive.

"On the other hand, the average citizen must remember that fire insurance rates have been reduced this year, and that casualty insurance rates have been steadily going down since 1924. They have accepted these reductions without probably sufficient gratification. There is always a tendency to minimize reductions and accentuate increases.

Should Encourage Home Companies

"It is most important to the insuring public and to the provinces themselves that large Canadian companies, if possible, be built up, companies which are able to transact insurance with plenty of reserve and capital behind them as the insurance companies do in Great Britain. British insurance companies are noted throughout the world for their stability, and for their capability to cover the risk and pay promptly when there is a loss.

Financial Strength Necessary

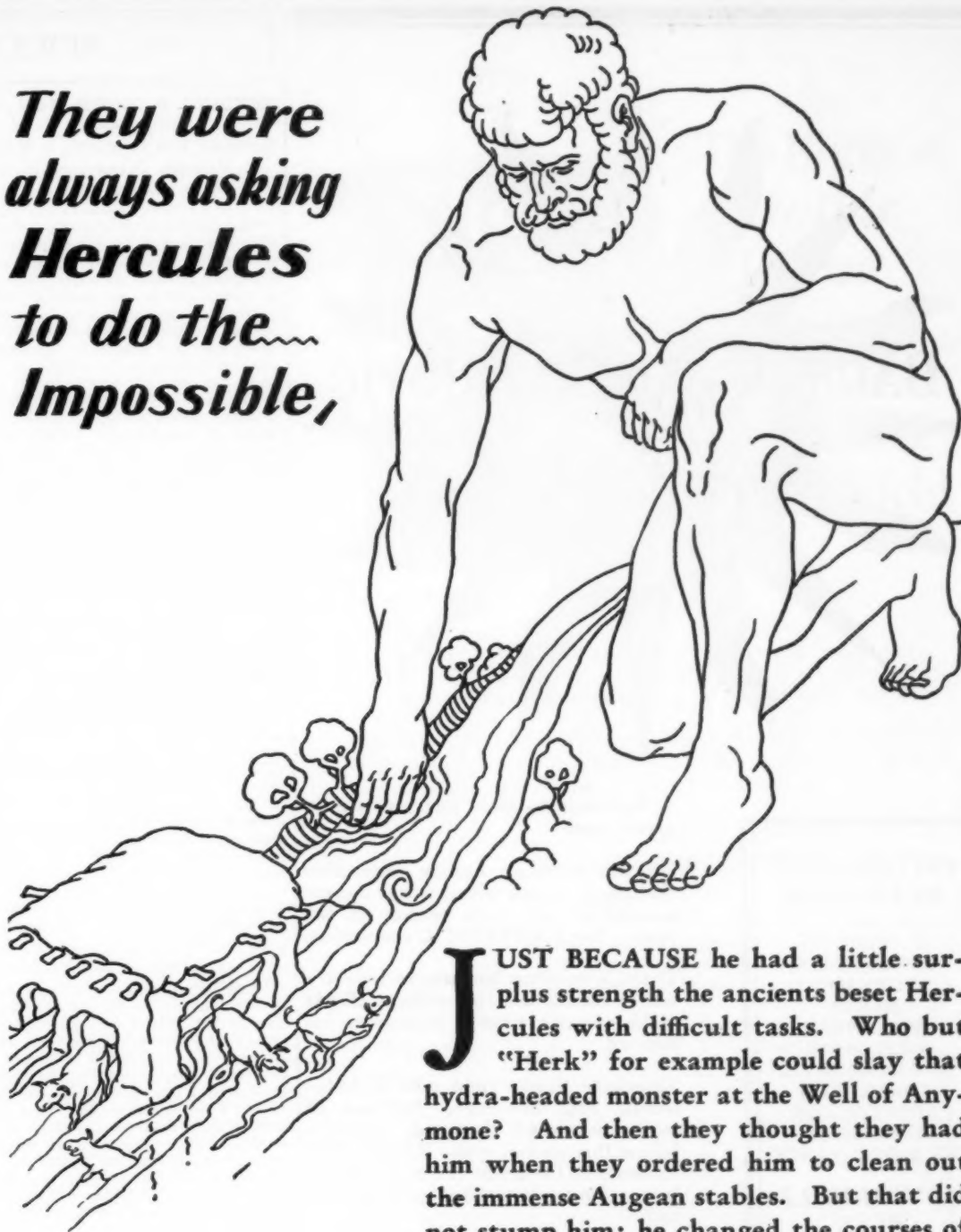
"This can only be done if there is financial strength behind the companies. Many of the Canadian companies are in this position. We must be careful in Ontario, and in fact throughout Canada, to do nothing to undermine the stability of the large insuring companies, which take so much responsibility for the various hazards."

NEW COMMISSIONER RESIGNS IN NEBRASKA

LINCOLN, NEB., Feb. 6.—Charles B. Anderson has resigned as insurance commissioner after serving a month, ill health being given as the reason. Mr. Anderson has been ill a week, suffering a nervous breakdown. Joseph L. Kizer of Lincoln was named as acting commissioner in his stead. Mr. Kizer was for 10 years superintendent of the Bradstreet Agency in Lincoln and six years an examiner in the state bureau of securities. He is not an insurance man.

Senate Bill No. 151 introduced in the Indiana legislature Monday by Senator Gottschalk proposes the establishment of a state insurance fund to insure institutional buildings and would appropriate \$250,000 to be known as an institutional emergency fund. The bill was referred to the finance committee.

*They were
always asking
Hercules
to do the
Impossible,*



JUST BECAUSE he had a little surplus strength the ancients beset Hercules with difficult tasks. Who but "Herk" for example could slay that hydra-headed monster at the Well of Any-mone? And then they thought they had him when they ordered him to clean out the immense Augean stables. But that did not stump him; he changed the courses of two rivers so as to flow through every stall, and remarked with a smile, "What next?"

AGENTS are asked to do difficult and seemingly impossible things in the course of their businesses. Some of these demands are baffling . . . but with a Company geared to solve such complexities, you too can smile and say, "What next?"

The HOME



NEW YORK



COVERAGES EFFECTED

FIRE,
AUTOMOBILE,
TORNADO,
RENTS,
LEASEHOLD,
EXPLOSION,
RIOT and CIVIL
COMOTION,
PROFITS AND
COMMISSION,
USE & OCCUPANCY

**AUTOMOBILE
FULL
COVERAGE**

A Coverage to meet your customers' every need—

Do you want an agency connection that opens to you wider, richer income possibilities at every season of the year. Try a PATRIOTIC connection.

There is no other business or industry where *timeliness* in selling efforts yields greater returns than does insurance.

Especially timely right now is Automobile Full Coverage. Millions of motor cars—and thousands more to follow this spring, make PATRIOTIC Automobile Coverage the most attractive selling proposition you've ever had.

Write or wire for full details concerning a PATRIOTIC connection.

"Back of the Patriotic is the Sun."

PATRIOTIC INSURANCE COMPANY of AMERICA

**HEAD OFFICE
55 FIFTH AVENUE, NEW YORK**

OSWALD TREGASKIS, President

WESTERN DEPARTMENT
WRIGLEY BLDG., CHICAGO
JOHN F. STAFFORD, Manager

PACIFIC DEPARTMENT
SAN FRANCISCO
C. A. HENRY, General Agent

NEWS OF COMPANIES

GETTING A GOOD TOE HOLD

Germanic Fire Is Making a Number of Valuable Connections in the Large Cities

The Germanic Fire of New York City, which is backed by interests connected with the International Germanic Trust Company, is now admitted in a number of states and has applied for admission to more. The company is making a special appeal to German-American citizens who feel that it is no longer desirable to keep up a feeling of resentment against the fatherland on account of the war. Trade relations have been resumed with Germany. The United States is on friendly terms with that nation. Loans are being made to German enterprises and the bitterness owing to the war has subsided very greatly. It is the feeling among a large number of German-American people, those who were born in Germany or who are of German descent that steps should be taken to cash in on the increasing friendship that will now be manifested.

Prejudice Is Eliminated

At the time of the war the insurance companies that had the name "German" or "Teutonic" or any of their combinations changed their name. That seemed eminently desirable at that time. The Germanic Fire now realizes that the prejudice against the name "German" is so greatly eliminated that little objection will be found to it. As a matter of fact the local agents of German extraction or German birth seem to have welcomed a company with the name of the fatherland attached to it. The Germanic Fire is now commodiously ensconced in its new office in the Channin building, one of the new structures that is attracting attention in the New York City uptown district.

Company Well Equipped

Seemingly it will not be necessary for the company to push for business outside of the larger and more important cities. It has \$1,500,000 net surplus. Naturally it will write sufficient business that can be readily absorbed and not eat too deeply into its surplus account. The Germanic Fire organization, headed by President Norman T. Robertson, is well equipped from an underwriting standpoint to appeal to local agents. It is one of the newer companies that undoubtedly will be permanent on account of its very substantial backing.

TRINITY FIRE OF DALLAS MADE GOOD SHOWING

The Trinity Fire of Dallas, which was organized in February, 1926, with original capital and surplus of \$250,000 each, has made rapid strides since that time. The capital is now \$1,000,000 and net surplus is over \$700,000. The assets have increased to over \$2,100,000. Its latest statement shows that the assets amount to \$385,000 more, and total investments to \$250,000 more than stockholders' contributions to capital and surplus. It is admitted to do business in 22 states. It plans to enter 10 more in the near future. It has 600 agents. Its premium income last year showed a 61 percent gain. R. A. Belknap of Dallas is president; Edward T. Harrison is active vice-president and secretary.

East & West Assets Given

According to its annual statement, the East & West of New Haven has total assets of \$3,019,582, and a net surplus beyond its \$1,000,000 capital of \$1,241,341. The company is the office mate of the Security and is under the same control.

COMPLETES REFINANCE PLAN

Minnesota Fire Has Increased Its Resources and Is Expanding Its Development Program

The Minnesota Fire of Chatfield, Minn., has completed a refinancing program. The controlling interest in this company was purchased by the American Phenix Corporation of New York. Through the transaction the capital stock is increased to \$500,000, which gives it a net surplus of \$344,015. The home office management will be continued from Chatfield under the supervision of H. P. Thurber, president, who has been secretary. The company has commenced an active expansion program and has applied for admission to a number of additional states. It has been licensed to operate in California. It has applied for authorization in New York. During the last year it has concentrated on Minnesota, North and South Dakota and Illinois. Its Dec. 31 statement shows assets \$957,053, premium reserve \$91,811, capital \$500,000 and net surplus, \$344,015. Its loss ratio last year was 25.6 percent. The company was organized in 1909. It writes a participating policy and specializes on preferred risks.

The American Phenix is a holding corporation for insurance companies, which is closely affiliated with the Sterling Offices of London, a world-wide reinsurance organization. H. Marshall Robertson, president of the Lion Fire of New York, a recently organized reinsurance company, and vice-president of the Sterling Offices, is president of the American Phenix. The American Phenix controls the American Reinsurance, of which H. R. Wemple is president.

COSMOPOLITAN MAKES GOOD RUNNING START

The Cosmopolitan Fire of New York has issued its first annual statement showing the progress it has made during the two months it has been operating. It started writing business Nov. 15. It has \$1,000,000 capital and surplus \$1,500,000. In about six weeks the company wrote \$104,644 in net premiums. Its securities increased \$93,683 by Dec. 31 so that all its organization expenses were paid out of the advance in security values. The board transferred \$500,000 of the surplus to voluntary reserve. Its statement as of Dec. 31 shows assets \$2,613,133, premium reserve \$99,556, policyholders' surplus \$2,508,043. The company is now admitted into 25 states. It has general agents handling six of these states. Some of its large city agents have charge of adjacent territories. The company has made splendid progress and has most excellent prospects. James A. Blainey organized the company, he being vice-president.

National May Swell Capital

A bill has been introduced in the Connecticut legislature to give the National Fire of Hartford the right to increase its authorized capital to \$20,000,000. It also provides that the par value may be reduced to not less than \$10 a share. The present par is \$100. Its capital is \$3,000,000.

Aetna Report Made

In the annual report of President R. B. Ives of the Aetna to stockholders, he shows that as a result of marine losses in the war the Aetna has been awarded a total of \$1,872,029, which with interest at \$847,160 makes a total of \$2,719,819. Of this amount \$844,239 has been paid. Other payments will be made during the course of the year. In

respect to automobile business, he says that the premium income showed a slight increase over 1927 but due to universally reduced rates country-wide, he declares, the company will be fortunate if it can maintain the same income this year.

Millers National

The annual statement of the Millers National of Chicago shows progressive growth and development. Its assets are now \$5,502,475 as compared with \$5,157,583 a year ago. Its premium reserve is \$2,576,879 as compared with \$2,497,097 a year ago. The net surplus is \$2,163,892 as compared with \$2,347,576 a year ago. It maintains a permanent reserve fund amounting to \$500,000 which gives it policyholders' surplus of \$2,663,892. The Millers National has paid since organization \$23,809,446 in losses. It is one of the sterling companies of the west.

New Hampshire Fire

A significant feature of the annual report of President Frank W. Sargeant of the New Hampshire Fire at the annual meeting at Manchester last week was the statement that its finance committee was giving consideration to

means for still further strengthening the organization and at the same time affording substantial benefit to its stockholders.

All the officers were reelected, with the exception of Victor E. Stevens, who was promoted from assistant secretary to secretary. The financial report showed a net surplus of \$7,226,678 as compared to \$5,142,962 a year ago. The gain is attributed in part to the sale of the company's interest in the County Fire. The New Hampshire wrote net premiums of \$5,136,709 for the year, an increase of some \$16,000. It paid out in losses \$2,406,386, a decrease of \$446,632. Assets total \$16,486,770.

Sheerin Heads Utility

G. G. Sheerin has been elected president of the Utility Insurance Company, Dallas. He succeeds C. W. Dawley, who retired from that office to be elected chairman of the board. Other officers elected were: J. B. Adoue, Jr., vice-president and treasurer; E. L. Mitchell, secretary; N. N. Aronson, assistant secretary, and L. H. Scott, assistant treasurer. The company was organized in 1926 and in two years the income of the company has increased from \$65,000 to \$238,000, and assets from \$300,000 to approximately \$500,000.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

SAFETY SUGGESTIONS MADE

In view of the several severe fires that have occurred due to the use of wooden scaffolding in the construction of buildings, the New York Board has issued from time to time special bulletins suggesting safety measures in connection with the erection of churches, and has just made a report regarding the use of scaffolding in the construction of theatres.

The automatic sprinkler department of the New York Fire Insurance Exchange, acting in concert with the New York Board, has made public a report covering the severe fire that damaged several buildings on Broadway, Fifth avenue, and East 21st street on Dec. 20, with an estimated property loss in excess of \$550,000. Serious as was the fire it would have been far worse had it not been for the effective operation of automatic sprinklers in the exposed buildings. The report states that the sprinklers opened "within two minutes after the fire was discovered and their checking the spread of the flames acted as a fire stop practically from the outset. The value of the sprinklers, therefore, in this instance was of paramount importance."

THEODORE PLESSNER ADVANCED

Theodore Plessner, formerly secretary and treasurer of the Northern of New York, was advanced to vice-president and treasurer of the company at its annual meeting Monday.

DUMONT IN NEW POST

Since his appointment as manager of the Interstate Underwriters Board several weeks ago, former Insurance Commissioner John R. Dumont of Nebraska has been carefully studying the problems of his new post and has been conferring with company officials in various eastern centers. The field of the new organization, which is a divisional body of the Eastern Underwriters Association, is a broad and highly important one. As it is to be country-wide in its operation branch offices, each in charge of a competent head, will have to be established in several cities, so that a complete service may be rendered. The task requires extreme care in its preparation and some time must yet elapse before the machinery be completed and ready to function. Mr. Dumont had years of practical experience as an insurance man in Omaha before assuming the insurance commissionership. Hence he knows the needs of the business from its many different

angles. Once in operation the service to be rendered by the Interstate Underwriters Board will be a most useful one to all parties at interest. In selecting Mr. Dumont as manager the responsible committee has chosen wisely.

SPRINKLER EXPERIMENT TRIED

Hazards involved in buildings under construction in which scaffold fires frequently occur are gaining increased recognition in fire insurance circles. Official attention has been given through William B. White, superintendent of the bureau of surveys of the New York Board, who has sent out to board members an account of the installation of a sprinkler system in a building under construction. The report relates to a building being erected in New York City. It reads in part as follows:

"A system of 542 automatic sprinklers has been installed under every other platform of the temporary wooden scaffolding, on each side and at front and rear of the auditorium, extending from floor to roof above hung ceiling.

"The National Board rules insofar as spacing and location of sprinklers are concerned, have not been followed, and the branch line pipe system is not supported in a very rugged manner. The automatic water supply consists of a 5,000-gallon gravity tank giving approximately 20 pounds pressure on the highest sprinklers with the tank full of water. There is a small pump having city suction supply for filling the tank. The supply is conducted through two four-inch risers to which are attached two fire department connections. Valves have been located in the cross main to facilitate prompt making of changes in the pipe system, as well as the shutting off the supply for replacement purposes.

"The whole installation is of a temporary character and as an automatic fire extinguishing piece of apparatus is of very little value, but as a means of effectively wetting down practically all of the scaffolding, platforms, landings and galleries, which are of wood construction, it should be of much value when supplied with water through the fire department connections.

MORE INTEREST IN STOCKS

As evidencing the great interest now taken by the investing public in stocks of fire and marine insurance companies, fully \$145,000,000 of "new money," it is estimated by Ernest Sturm, chairman of the America Fore companies, went into such enterprises during the past year;



The Biggest Dollar Value in the Auto Insurance Policy Field

WHEN all is said and done the greatest value any policy can hand back to the buyer for his premium is the feeling of security he gets out of each day of driving.

FORT DEARBORN'S STRAIGHT 8 COMBINATION gives the feeling of security day after day, month after month, in a superlative measure and at less cost.

HELPS AGENT TO OVERCOME COMPETITION

The Straight 8, sold as a unit at one flat rate, overcomes the prospects usual objections to added coverages. The rate is less than that charged by other reliable companies for just ordinary protection.

ALL IN ONE POLICY

Fort Dearborn also offers the Standard Combination Policy—covering Fire, Theft, Tornado, Public Liability (\$5,000-\$10,000 limits) and Property Damage (\$1,000 limits) as well as individual coverages.

THE STRAIGHT 8 COMBINATION COVERAGES

- 1 FIRE Damages to or complete destruction of car due to fire.
- 2 THEFT Loss of car or damage done to it while in hands of thieves.
- 3 TRANSPORTATION Damage to or complete loss of car while being transported on land or water.
- 4 PUBLIC LIABILITY (\$7,500-\$30,000 limits) Company assumes financial responsibility for personal injury caused others by assured's car.
- 5 PROPERTY DAMAGE (\$2,000 limits) Company assumes responsibility for damage to property of others.
- 6 PLATE GLASS BREAKAGE Windshields, door glass or windows—regardless of cause of breakage.
- 7 EXTRA EQUIPMENT Theft of spare tire, tube, rim, spotlight, windshield wiper, front and rear bumpers.
- 8 TORNADO Damage to or destruction of car due to tornado.

FORT DEARBORN INSURANCE Co.

A STOCK COMPANY

222 WEST ADAMS STREET

CHICAGO, ILLINOIS

ATTRACTIVE TERRITORY AVAILABLE IN ILLINOIS AND MISSOURI

**Specialists in the Securities of the
FIRE INSURANCE COMPANIES**
under the management of
CORROON & REYNOLDS, INC.

We recommend for investment and price enhancement the stocks of this progressive group of companies at present market levels:

**American Equitable Assurance Company
of NEW YORK**
Capital - \$2,000,000

Brooklyn Fire Insurance Company
Capital - \$1,000,000

**Bronx Fire Insurance Company
of the CITY OF NEW YORK**
Capital - \$1,000,000

**Knickerbocker Insurance Company
of NEW YORK**
Capital - \$1,000,000

**Merchants & Manufacturers Fire Insurance Company
of NEWARK (1849)**
Capital - \$1,000,000

New York Fire Insurance Company (1832)
Capital - \$1,000,000

**Sylvania Insurance Company,
PHILADELPHIA, PA.**
Capital - \$1,500,000

**Republic Fire Insurance Company,
PITTSBURGH, PA. (1871)**
Capital - \$600,000

BOUGHT—SOLD—QUOTED

Information and Circulars Upon Request

AMERICAN INSURANSTOCKS CORPORATION
W. WALLACE LYON, President
51 East 42d Street New York

the large percentage going toward the formation of new corporations, though some of the established institutions added to their capital structures.

"In addition to this investment," said Mr. Sturm, "there was, of course, a large quota of funds placed in shares of established companies that are dealt in on the stock exchange and elsewhere. Such a development in fire insurance means that the public is now doubly interested in the business. Besides its long-standing dependence upon sound insurance for financial protection against damage to its possessions by burning, the public is now looking to the fire underwriters to supply a portion of its living expenses and to furnish a safeguarded investment.

"The greater financial interest in our business," Mr. Sturm continued, "has been reflected in an increased number of stockholders of the Fidelity-Phenix and its affiliated company, the Continental, both of which corporations have their shares listed on the New York Stock Exchange.

"Stockholders of these two companies have increased 43 percent in number since Jan. 1, 1928, 9 percent of the aggregate being local agents, and the balance company officials and outside investors.

"We have made it a practice for a number of years to encourage the acquisition of stock by our local agents, and they now own \$8,500,000 worth of Fidelity-Phenix and Continental shares, which show them large profits at present market prices."

Mr. Sturm added that the prevailing wide interest in fire insurance securities places a stronger obligation upon company officials and makes it incumbent on them to give publicity to information of interest to stockholders, in addition to the detailed financial reports that are submitted to the various state insurance commissioners in accordance with the regulatory laws under which the companies carry on their operations.

**FISHER TO CONVEY GOOD
WISHES FROM HARTFORD**

HARTFORD, Feb. 6.—In response to an invitation from the Louisville board, the Hartford Board has designated G. Burgess Fisher, a former president, to represent the organization at the 75th anniversary celebration of the Louisville body on Feb. 15. The Louisville Board was formed in 1854 and the Hartford Board just 10 years later, these two organizations ranking first and second respectively in point of age among bodies of their kind in the United States. At the diamond jubilee banquet Mr. Fisher will extend official congratulations from the "city of insurance" to the Louisville agents and will refer to the kindly feeling that has existed between the two organizations.

TENTATIVE PROGRAM GIVEN

Officers Conference of State Fire Prevention Associations to Meet in Chicago Feb. 18

Feb. 18 is the date set for the annual meeting of the officers' conference of the state fire prevention associations. The meeting will be held in the Red Room of the Hotel La Salle. The tentative program follows:

Introduction — Richard E. Vernor, manager fire prevention department, Western Actuarial Bureau.

Remarks by company officials.
"Improving Cooperation"—Leader, V. E. Herbert, secretary Kansas association.

"Arranging the Local Program"—Leader H. M. Zimmer, president Illinois Association.

"Boosting the Speakers' Bureau"—Leader, A. M. Upham, chairman speakers' bureau, Iowa association.

"The Farm Committee"—Leader, H. P. Winter, chairman farm committee, Ohio association.

"The Use of Boy Scouts"—Leader J.

**DATE IS SELECTED FOR
AGENTS' MIDYEAR MEETING**

WILL BE HELD MARCH 12-14

Secretary Bennett of National Association Visits Birmingham, Scene of Gathering

BIRMINGHAM, ALA., Feb. 6.—Secretary Walter H. Bennett of the National Association of Insurance Agents was in the city this week in conference with Charles L. Gandy, president of the Alabama association and a member of the executive committee of the National association, and also with the officers of the Birmingham Insurance Exchange relative to the date for the midyear meeting of the National association to be held in this city. The date was set for March 12-14. The headquarters will be at the Hotel Tutwiler. The Alabama Association of Insurance Agents will hold its convention March 12.

The executive committee of the National body will gather on March 11, while a general get-together dinner open to association members is scheduled for the following night. The decision to meet in Birmingham this year followed a cordial invitation to that effect extended on behalf of the Birmingham Insurance Exchange at the annual gathering of the association at West Baden, Ind., last September. Charles Gandy, a member of the executive committee of the National association, is likewise president of the Alabama Association of Insurance Agents.

Pressure Greatly Reduced

A unique situation developed in Ashland, Wis. A few days ago some one stole a wrench used to open fire hydrants. He conceived the idea of opening these hydrants during the late hours of the night. One evening it was found that five had been opened after midnight. It took a crew of six men to locate all that were open. If a fire had occurred during that time there would have been practically no pressure. The police department of Ashland and the Ashland Water Company have both offered substantial rewards for the apprehension of these culprits. Each hydrant discharges 1,000 gallons of water per minute.

January Was Hot Month

Most companies reported a high loss ratio during January. The windstorms that hit southern Illinois, Kentucky, northern Missouri and part of southern Indiana brought in many small claims. This is particularly true of companies doing a farm and small town business. There were a number of rather heavy losses in Chicago. Altogether January with its severe weather throughout the middle west proved a hot month.

H. Buntin, vice-president Iowa association.

Luncheon—Conference guests of fire presentation department. Address, "Public Relations from a Fire Prevention Standpoint," W. W. Ellis, assistant to general manager, National Board of Fire Underwriters.

"The Reactions of the Local Chamber"—Ed Wilder, secretary chamber of commerce, Lexington, Ky.

"Inter-Chamber Fire Waste Contest"—Rollin M. Clark, insurance department, United States Chamber of Commerce.

"Progress of Missouri Experiment"—O. A. Ramseyer, president Missouri association.

"National Fire Prevention Week"—James A. Atkinson, secretary Oklahoma association.

"Using the Fire Clown"—Harry K. "Smoky" Rogers.

"Fire Service Extension Work"—George H. Parker, chairman fire service extension committee, National Fire Waste Council.

Miscellaneous Discussion (News Service, Second Notice Cards, Flagging Bulletins, etc.).

INTERESTING INSURANCE HISTORY FOUND IN FRANKLIN FIRE'S NEW BOOK

THE Franklin Fire of Philadelphia this year is rounding out its first century, it having been organized in April, 1829. The management is putting out a book entitled "100 Years." It is full of historical matter pertaining to early insurance in general and relates some of the incidents in connection with the organization and progress of the Franklin itself. The Franklin Fire is now a member of the Home of New York group. It recently voted to increase its capital from \$1,000,000 to \$2,000,000.

The frontispiece is an etching of Independence Hall, which is America's most treasured landmark. The book gives a short history of fires and the methods of fighting them during the last hundred years. In this connection it presents some interesting facts about fires of ancient times. There are numerous reproductions of etchings of historical buildings in Philadelphia. In addition there are drawings of old fire apparatus. One of the most interesting features of the book is cuts of old house-marks of fire insurance companies that were used in the early days.

First Fire Fighting Institution

The fact is brought out that the fire brigade in Imperial Rome was the first fire fighting institution. This was organized in 732 B. C., when Caesar Augustus was on the throne. The Roman municipal fire department was equipped with a "water squirt" on wheels. Pliny referred to fire engines in his works and Herod of Alexandria in his treatise on pneumatics in 130 B. C. described the oldest known engines as "the siphons used in conflagration." The Franklin book brings out the fact that these siphons were pumped by hand and filled by the cohorts with vases full of water.

No Smoking on Streets

No public measures were taken in Philadelphia for the extinguishment of fires until May 25, 1695. A bill was passed by the provincial legislature in 1696 and here is found the city's earliest fire prevention centering more upon the legislature of the inhabitants than upon legislation for equipment. No one was allowed to smoke in the streets by day or night. As time went on, when a fire was discovered at night, the watchman sprang his rattle, a contrivance having a tongue playing on the teeth of a ratchet wheel which when revolved produced series of sharp staccato noises. The watchman would then run around the town, knock at the doors of all the dwelling houses and cry loudly, "Throw out your buckets." As the buckets were tossed into the streets they were picked up by those speedier dressers who were hastening to the fire.

Philadelphia's First Fire Engine

Philadelphia purchased its first fire engine in 1718. In 1730 there was quite a fire, the first serious one in Philadelphia on Fishbourne's wharf. In connection with this fire, the historical record of the Franklin Fire shows that a number of citizens were more diligent in gathering loot than trying to put out the fire. After 1730 there was more apparatus purchased.

Franklin Took a Hand

Benjamin Franklin, who was active in so many lines, began to look into the fire fighting methods and through his efforts, interest and enthusiasm, Philadelphia's first fire company was established Dec. 7, 1736. It was one of Franklin's famous epigrams of this day that has come down through the years with continuing significance, it being an "ounce of prevention is worth a pound of cure." This epigram was coined in connection with his advocacy of fire prevention methods. The name of the

first company was the Union Fire Company. Benjamin Franklin sat in Grindstone alley where the company was formed.

Competition in Fire Fighting

A number of volunteer fire companies were formed and there was great competition in reaching fires and trying to extinguish them. There were many riots in connection with these colorful efforts on part of these private companies to extinguish fires. Finally the authority of the legislature was invoked to prohibit rioting at fires, and providing methods of forming new companies. The Fellowship Fire Company was Philadelphia's second company, it being founded in 1738. The Hand-In-Hand Fire Company was founded in 1742.

First Insurance Company Formed

While Benjamin Franklin was busily engaged in studying methods to prevent and handle fires, his mind reached out into the realm of indemnity. The first fire insurance company in America largely due to his inception was formed April 13, 1752. It was the Philadelphia Contributionship. Franklin was the first to subscribe to the new company and was chosen as its first director. It insured only houses which were not surrounded by trees. This was due to the difficulty in fighting fire where foliage and overhanging branches obstructed the work of getting water on the blaze. The Mutual Assurance Company was organized in 1784 and it became known as the "Green Tree." It specialized in the insurance of houses surrounded by trees. In those days each insurance company maintained its own fire company.

Housemarks Were Adopted

With the increasing interest in insurance and the policies in effect, it became rapidly difficult for each company to recognize its own fires. Consequently the companies adopted what were then known as "housemarks" which in a way are the same as merchandising trademarks. The housemark of the Philadelphia Contributionship represented two clasped hands. The Mutual Assurance had the "Green Tree" in full bloom. The Philadelphia Contributionship continued its housemark practice until 1870 when the organization of a paid fire department made marks generally useless and obsolete. The designs showed very little sign of originality in their conception.

Fire Association Familiar Trademark

The housemark of the Fire Association is used in its trademark today, it resembling a fire plug to which was attached a section of hose, and beneath were the letters "F. A." The United Firemen's used an oval plate on which was shown a steam fire engine and the letters "U. F." The Lumbermen's had a flat iron plate on which was an interlaced monogram of "L. I. Co." The Insurance Company of North America originally used a six point navy star, it later being discontinued in favor of the American eagle.

First Policy in Philadelphia

The first fire insurance policy issued in Philadelphia was to John Smith, treasurer of the Philadelphia Contributionship, covering his dwelling house on the east side of King street, between Mulberry street and Sassafras street, which is now on Water street between Arch street and Race street. This was issued for seven years. Under its terms a certain deposit was required on the issuance of the policy. In the event that the deductions for expenses and losses consumed the full amount of the deposit, a new "contribution" was required to keep the policy in force. This seven year insurance plan remained in effect for 59 years, when in 1810 perpetual con-



Statement December 31, 1928

ASSETS

Real Estate	\$ 15,000.00
U. S. Government Bonds	788,000.00
Other Bonds and Stocks	734,731.28
First Mortgage Loans on Real Estate	343,670.00
Collateral Loans	50,800.00
Cash in Banks	74,386.96
Agents Balances Receivable	100,926.39
Accrued Interest	14,107.87
All Other Assets	18,773.28

Total Assets\$2,140,395.78

LIABILITIES

Reserve for Unpaid Losses	\$ 23,722.91
Reserve for Taxes & Contingencies	19,318.06
Reserve for Unearned Premiums ...	359,263.28
Reinsurance Accounts Payable	27,642.47
Other Liabilities	1,281.14
Capital	\$1,000,000.00
Surplus	709,167.92

Surplus to Policyholders1,709,167.92

Total\$2,140,395.78

1928 RESULTS

Increase in Assets	\$415,255.20
Increase in Unearned Premium Reserve	157,761.97
Increase in Surplus to Policyholders ...	229,731.42

**Home Office
Santa Fe Building
Dallas, Texas**

AMERICAN AUTOMOBILE INSURANCE COMPANY

St. Louis

L. A. HARRIS
PRESIDENT

ALL KINDS
of INSURANCE
on AUTOMOBILES

CAPITAL & SURPLUS . . . \$3,260,936.98
RESERVES 7,014,294.65
TOTAL ASSETS (JAN. 1, 1928) 10,275,231.63

tracts were inaugurated. In December, 1792, the general assembly was petitioned for permission to incorporate the Insurance Company of North America. On April 14, 1794, the company was authorized. Almost immediately the Insurance Company of the State of Pennsylvania was organized.

Named for Benjamin Franklin

Coming down to the Franklin Fire itself, it is interesting to note that in spite of Benjamin Franklin's great activities in Philadelphia, and his conspicuous service, there was no company founded that carried his name until the Franklin Fire came into being nearly 77 years after the founding of America's first company and until 39 years after the death of Franklin. A charter was secured in 1829 and was approved by the governor in April, 1829. The original meeting place was in Rubicam's tavern, one of the leading inns of the city situated near Independence Hall. No salary was paid the officers but their sole remuneration was in the quantity of food and ale that could be consumed at the regular meetings held in Rubicam's tavern. The Franklin Fire progressed rapidly. An old advertisement in the Saturday "Evening Post" of Aug. 8, 1829, gives its address as 162½ Chestnut street, which was the property of Stephen Girard, the philanthropist.

Perpetual Policies

All perpetual contracts issued by the Franklin Fire prior to Jan. 1, 1848, were non-cancellable as far as the company was concerned, although the deposit could be demanded by the assured if the building was sold. Both the original Philadelphia fire insurance companies and all the stock fire companies in Pennsylvania having perpetual charters have willingly continued the issuance of perpetual contracts to the present day, making Philadelphia probably the only

city in the country where such policies are still available, except Cincinnati, where the Cincinnati Equitable still issues such contracts. While the Franklin Fire was organized to confine its business to writing perpetual contracts, it soon branched out into issuing temporary policies. But the perpetual contracts provided the largest percentage of its income for many years.

Policies on Historic Buildings

It is interesting to record that one of the earliest policies of the Franklin covered Independence Hall. This policy remained in force for more than 60 years. Some of the old historic buildings of Philadelphia were written in the Franklin. The "Old Swede Church" is one of the oldest relics of Philadelphia standing today. Christ Church is another famous building that the Franklin had on its books. It is on Second street, north of Market. In 1831, two years after the Franklin started, an agency was inaugurated and the company thus became a pioneer in the agency system of doing business. Its first agency was started in Lexington, Ky., and John Tilford, a merchant, was appointed as agent. The Kentucky agency brought to the minds of the executives the possibilities of extending the agency plant. It, therefore, branched out into other cities. Charles J. Martin was the first Franklin Fire agent in New York City. He resigned in 1853 to accept a position with the Home. Later Mr. Martin became president of the Home. In 1879 he was one of the speakers at the banquet given to commemorate the fiftieth anniversary of the Franklin Fire.

The booklet is full of interest from beginning to end, giving in compact, yet very readable form, incidents of gripping interest. The Franklin Fire is esteemed by all connected with it and its many friends.

AS SEEN FROM CHICAGO

WILL CONTINUE DEPARTMENT

Fred B. Luce of Chicago, vice-president and western manager of the Providence Washington, will hereafter devote considerable of his time at the head office, being in charge of the fire underwriting. The new president, Garry C. House, is a marine man, and will give considerable of his time to looking after investments. When Mr. Luce was elected vice-president last fall it was understood that thereafter most of his attention would be devoted to the head office. He left this week on a trip to the Providence Washington general agencies through the southwest.

It is authoritatively stated that the western department at Chicago will be continued as it has been before and the company has no thought of transferring it to Providence.

The annual statement of the Providence Washington shows assets \$22,478,593, increase \$3,631,273, net premium \$7,295,948, compared with \$7,169,505 a year ago. The policyholders' surplus is \$15,617,787, increase \$3,706,508. Associated with the Providence Washington in its western department are the Anchor of Providence and the Virginia Fire & Marine, which will continue their work in the west the same as the Providence Washington.

* * *

NEW ORGANIZATION PLANNED

Formation of an independent organization to represent all producers in Cook county in their negotiations to have the Chicago Board revise the rules which went into effect Jan. 1, has been entrusted to a special insurance committee of the Chicago Real Estate Board and the advisory committee composed of a representative of the Cook County Real Estate Board and one representative of each of the other real estate boards in the county. It may be that the organization will include a representative of

the Insurance Brokers Association of Illinois.

This action was taken at a meeting of the Class 2, 3, 4 and 5 producers called last Friday and held in the rooms of the Chicago Real Estate Board. Final action will be taken at another meeting to be held in the Chicago Real Estate Board's room on Friday of this week.

The real estate men intend to ask of the Chicago Board subordinate voting representation in proportion to the volume of business they write. Their complaint against the board is that voting representation is now confined to the class 1 agents. They also will seek revision of the commission scale so that all producers will be more uniformly paid.

* * *

DAY GOES TO SOUTH

George Z. Day, assistant United States manager of the Tokio and vice-president of the Standard of New York, has been in Chicago for a number of days looking over the field talent preparatory to appointing a field man to travel out of Chicago. Having made his appointment Mr. Day went to Memphis and will visit a few other centers in the south before returning to New York.

* * *

DAWES MAY NOT BE PRESENT

Rufus C. Dawes, who is chairman of the committee promoting the Chicago World Exposition for 1933, and who is head of a number of public utility enterprises, is scheduled to deliver the annual address before the Fire Underwriters Association of the Northwest in Chicago, Feb. 19. It is doubtful whether Mr. Dawes can return to Chicago in time to keep this engagement as he is now sojourning in Florida. In the meantime he has arranged with Homer J. Buckley, head of Buckley, Dement & Co., direct mail advertising house in Chicago, to substitute for him.

Mr. Buckley is in charge of the publicity department of the World's Fair and is prominent in the Chicago Association of Commerce.

BIG BOWLING TOURNAMENT

John Lawler, who is a broker connected with the local agency of Keller, Anderson & Co. of Chicago, is president of the Chicago Insurance Bowling League. He has done a good piece of work in organizing 32 booster bowling teams to compete in the tournament to be held by the American Bowling Congress in Chicago, March 2. The insurance teams will open the tournament at 7:30 p. m. in the Dexter Park pavilion at Forty-second and Halsted streets. The Insurance Bowling League has added to its number so that a formidable fleet of insurance men will be present. The Chicago teams that will compete are as follows:

Companies	Captains
Aetna Casualty & Surety Co.	D. Lepsey
Aetna Life	W. Graue
W. A. Alexander & Co.	G. Stupka
America Fore No. 1	L. Stalley
America Fore No. 2	O. Rhesume
America Fore No. 3	I. Becker
Childs & Woods	H. Tarnow
Conkling, Price & Webb	L. Carpenter
R. N. Crawford & Co.	L. Schlitz
Critchell, Miller, Whitney & B.	R. Lang
H. Dalmar & Co.	H. H. Roth
Wm. G. Danne & Co.	H. Nortman
Engelhard, Krogman & Co.	O. Engelhard
Firemens	J. Thelen
Hartford Fire	J. Waterson
Hartford Fire, Farm Dept.	E. Feldhaus
North America	W. Reisener
Johnson & Higgins	E. Malmgren
Marsh & McLennan	J. McKeand
Koeker & Magner Co.	J. McCarthy
Moore, Case, Lyman & Hub.	W. Langille
North British & Mercantile	C. Neumann
Osborn & Lange	A. Carlson
Pacific Mutual Life	Jene Smith
Queen	C. Stalzer
George W. Roberts & Son	C. Johnson
Rollings-Burdick Hunter Co.	R. Ebbert
Royal	B. Daugull
Sun	G. Anderson
Underwriters Service Corp.	W. Eden
Youngberg-Carlson Co.	W. J. Patterson

AGENCY MOVES HEADQUARTERS

Eils, Lodding, Jacobs, Inc., the Class 1 agency which has been located at A-2033 Insurance Exchange, has moved into the office of Heath-Komaiko Company at 1409 Insurance Exchange, where its business will be conducted by its present managers, R. C. Merritt and Harry Lodding.

R. T. NELSON IS PROMOTED

Raymond T. Nelson has been appointed assistant to the manager of the Chicago Board and placed in charge of the investigation department. He will make thorough investigations as to membership qualifications and violations of rules. He will operate under the supervision of Manager Ernest Palmer. He is a graduate of Armour and Northwestern University and has been instructor in insurance and actuarial science at both institutions. He has been assistant superintendent of rates for the last three years. Robert A. Parker has been made assistant superintendent of ratings. He has been with the board for six years.

INSURANCE STOCK QUOTATIONS

H. W. Cornelius of Lewis, Dewes & Co., Chicago investment house, gives the following insurance stock quotations as of Feb. 4:

Stock	Par	Bid	Asked	Div. per Share
Aetna Cas. & S.	100	1640	1680	\$12.00
Aetna Fire	100	805	815	24.00
Aetna Life	100	1255	1275	12.00
Agricultural	25	160	180	4.00
Allemania	50	300	320	10.00
Am. All. (new)	10	52	55	...
Amer. Auto.	10	75	...	2.00
Amer. Druggist	25	80	85	3.00
Amer. Equitable	5	38	40	1.50
American	5	22	34	1.00
Amer. Reserve	10	91	96	4.00
Amer. Salam	50	80	85	2.50
Amer. Sur. (new)	25	158	166	...
Automobile	100	600	615	...
Baltimore Amer.	5	47	50	.60
Bankers Indem.	5	22	25	...
Bankers & Ship.	100	594	620	18.00
Boston	100	930	950	22.00
Brooklyn	25	128	134	...
Buffalo	100	450	...	13.00
Camden	5	38	40	.95
Carolina	10	48	50	1.40
Cent. West Cas.	50	64	...	2.00
Chicago F. & M.	10	17	18 1/2	...
City of N. Y.	100	710	730	16.00
Colonial States	10	26	30	...

Columbian Nat.	25	16	20	...
Commercial Cas.	10	52	54	2.00
Commonwealth	100	750	...	20.00
Constitu. Indem.	10	33	36	...
Continental Cas.	10	69	71	1.60
Continental L.	10	92	94	2.00
Detroit F. & S.	50	55	60	4.00
Detroit F. & M.	100	300	350	10.00
Detroit Natl.	25	22	26	1.00
Eagle, N. J.	20	88	95	4.00
Employers Re-In.	10	34	36	...
Excelsior	5	12	14	...
Federal, N. J.	100	1250	...	20.00
Fed. Sur. (new)	25	...	...	...
Fidelity & Cas.	25	187	195	5.00
Fidelity & Dep.	50	305	312	8.00
Fidelity-Phenix	10	102	104	2.00
Fire Association	10	49	51	2.50
Fireman's Fund	25	140	143	5.00
Firemer's	10	45	47	2.20
Franklin Fire	25	450	465	8.00
Gen. C. & S. (new)	...	35	...	...
General Surety	25	145	165	...
Georgia Cas.	5	27	29	...
Glens Falls	10	67	69	1.60
Gl. & Rut. (new)	100	1560	1600	...
Gr. Amer. Cas.	25	15	20	...
Gr. Amer. Indem.	10	69	74	...
Great American	10	54	57	1.60
Great Lakes	10	11	13	1.00
Guaranty Fire	100	215	230	10.00
Guardian F. (new)	10	63	66	2.00
Halifax Fire	10	39	41	.60
Hamilton	50	350	400	4.00
Hanover	10	86	89	1.00
Harmonia	10	42	45	1.40
Hartford	100	980	1000	22.00
Htrd. St. Bldg.	100	860	885	18.00
Home, N. Y.	100	634	645	20.00
Home Fire Sec.	10	49	51	.60
Homestead	10	44	47	...
Hudson Cas.	5	9	11	.10
Importers & Exp.	25	110	115	4.00
Independ. Indem.	10	22	24	.50
Independ. Fire	10	23 1/2	26	.60
Ins. Co. of N. A.	10	83	84 1/2	2.00
Iowa Natl. Fire	100	160	...	8.00
Lincoln, N. Y.	20	100	105	4.50
Lloyds Pl. Glass	100	500	...	14.00
Maryland Cas.	25	164	170	5.00
Mass. Bonding	100	550	600	16.00
Merchants (new)	10	125	...	...
Merchants, Pfd.	100	126	...	7.00
Mechanics	25	100	...	2.50
Merchants, R. I.	50	115	120	...
Merch. & Mfrs.	5	24	27	...
Metropol. F. N. Y.	10	11	...	1.00
Milwaukee Mech.	10	45	49	1.80
Mohawk Fire	25	69	74	...
National Cas.	10	48	50	1.20
National, Conn.	100	1375	1400	25.00
National Liberty	5	30	32	...
National Union	100	410	420	12.00
National Surety	50	152	154	...
New Amster. Cas.	10	88	90	2.90
New Brunswick	10	49	52	1.20
New Cent. Cas.	50	...	...	5.00
New England	10	50	55	1.00
New Hampshire	100	625	...	16.00
New Jersey	20	69	74	1.80
New York Cas.	25	102	104	4.00
Niagara Fire	25	160	165	4.00
Northern	25	145	155	3.75
North River	25	425	435	7.75
N. W. Nat. F. Wis.	25	205	211	5.00
Occidental	10	25	27 1/2	...
Pacific Fire	25	175	190	4.00
Pacific Indem.	50	225	...	6.00
Peoples Natl.	5	35	38	1.00
Philadel. Nat. F.	10	25 1/2	28	...
Phoenix, Conn.	100	1000	1015	20.00
Pioneer Fire	20	20	...	...
Preferred Accl.	100	530	550	12.00
Presidential	25	27	29	...
Prov. Wash.	100	900	912	16.00
Public, N. J.	5	29	32	...
Pollance	10	24	27	1.20
Rhode Island	100	260	...	12.00
Rossia	25	227	240	6.00
Seaboard Surety	10	20	24	...
Security, N. H.	25	128	135	3.00
Southern Sur. N. Y.	10	43	45	1.60
Springfld. F. & M.	25	222	230	4.00
St. Paul F. & M.	25	220	225	4.00
Standard Accl.	50	325	375	6.00
Stuyvesant	100	380	390	6.00
Sylvania	10	36	39	...
Transport. Indem.	10	19	23	...
Transportation	25	40	46	...
Travelers	100	1885	1910	22.00
U. S. Fire	10	130	135	2.40
U. S. Casualty	100	425	435	10.00
U. S. F. & G. (new)	10	89	91	...
U. S. Mer. & Ship.	100	505	515	8.00
Universal	25	80	85	3.50
Victory	10	24	27	1.20
Virginia F. & M.	25	130	145	4.50
Vulcan	100	150	...	12.00
Westchester	10	93	95	2.50

*Rights 22-24

GET THE GERMANIC FIRE

Strom, Carlson & Grupe have been appointed Chicago agents of the Germanic Fire of New York, which has just been licensed in Illinois.

CHICAGO TELEPHONE DIRECTORY

The 1929 edition of the Chicago Insurance Telephone Directory issued by THE NATIONAL UNDERWRITER is off the press. There have been many changes in offices since the last edition was published. This has been due to the Insurance Exchange being enlarged and transfer of many offices to the new section. The telephone directory is in two parts, one devoted to offices in the Insurance Exchange and the other to insurance offices outside of the Insurance Exchange. The directory is free

BUSINESS CYCLES



What makes the wheels go round?

Energy and co-ordination of power and equipment.

The leg-powered tricycle and the bicycle had their ups and downs of popularity - like a hilly road.

The automotive vehicle has progressed steadily.

Indications are that more than 27,000,000 will be licensed this year.

It is estimated that not more than 40% are insured, leaving at least SIXTEEN MILLION GOLDEN OPPORTUNITIES



(Whisper No. 1) The cooperation of our Home Office and Field Staff furnish the *Equipment*. Our Local Agents have the *Energy*. All are working well together.

at the Chicago office of THE NATIONAL UNDERWRITER if a call is made at that office. Otherwise the charge is 15 cents for payment of postage. No directory will be sent out unless 15 cents accompanies the order.

CONFERENCE SECRETARIES MEET

Secretaries of the various automobile conferences were in Chicago this week conferring on the new manuals. They met in the committee room in the headquarters of the Western conference.

COMPANY JOINS UNION

Robert M. Eacock, president of the American Standard Fire of Oklahoma City, has been elected a member of the Western Union. Mr. Eacock is president of R. M. Eacock & Co., which does a large local business in Oklahoma City and acts as state agent for some of the companies. The American Standard is well backed financially. It has an authorized capital of \$500,000. It sold its stock at \$20 a share with \$10 being par.

ROGERS & ROLLO AGENCY MOVES

The Rogers & Rollo agency has moved into new and larger quarters in the Insurance Exchange, at 2029. The telephone number is Wabash 6953. The partners in the agency are C. Marshall Rogers and L. C. Rollo.

EMPIRE FIRE JOINS WESTERN UNION

The Empire Fire of New York announces that it has been admitted to the Western Union.

The Empire Fire has \$400,000 capital and net surplus \$600,000. The head office is in Brooklyn at 32 Court street. William Schaefer, who has been local secretary of the London Assurance in New York City, is the underwriting manager and vice-president. Fred I. Ettlinger, head of the brokerage firm

of F. I. Ettlinger & Co., 100 William street, New York, is the president.

The Illinois Blue Goose has arranged for a dinner and dance on the evening of Feb. 23, which will be in the nature of a Washington party.

R. S. Baddy, vice-president of the Glens Falls, is on a western trip.

Alex Smullan, Chicago local agent, has gone on a month's trip to California.

Robberson Transferred to Wichita

W. N. Robberson, for the past two years assistant manager of the hail department of the Hartford group in Chicago, has been transferred to Wichita to manage the hail office of the southwest district maintained by the Hartford group at that point. Mr. Robberson was formerly in charge of the office before being called to Chicago.

Seattle Marine Men Elect

SEATTLE, WASH., Feb. 6.—At the annual meeting of Seattle marine underwriters the following officers were installed: Arthur R. Sayres, North America, president; John Graessner, J. A. Graessner & Co., vice-president; E. H. Hutchinson, secretary. In connection with entertainment the film, "The Raider Emden," was shown.

No Losses to Grain

BUFFALO, Feb. 6.—More than half of the grain storage fleet originally at this port at the close of navigation will have been unloaded by the end of this week, leaving only about 18,000,000 bushels of insured grain afloat and subject to damage of winter storms. Not a single loss of any character has been recorded to date among the 80 or more steamers originally holding storage grain, either to hull or cargo, including the shifting of half of these to elevators for unloading. A few years ago marine underwriters suffered heavy losses when 22 steamers were blown ashore and since that time several other large claims have been filed as the result of damage to storage cargoes or steamers anchored in the outer harbor prior to shifting.

ENDORSE USE OF AUTOMATIC SPRINKLER EQUIPMENT IN FIRE PROTECTION

THERE is an increasing interest in sprinklers throughout the United States on the part of public officials, fire chiefs, fire marshals and underwriters, as well as agents and brokers.

When Boston was experiencing a per capita fire loss of \$6.59 as compared with \$3.90 in 63 other New England cities and \$3.35 in 337 other cities in the United States, an exhaustive investigation was made of its fire-fighting facilities. The report subsequently made public by the National Board contained the observation that:

Should Encourage Owners

"Automatic sprinkler systems are generally conceded to be one of the best safeguards against fire. This is particularly true for buildings having the weak structural characteristics prevalent in Boston, where a large number of such buildings are unprotected with sprinkler systems.

The Boston report wound up with recommendations which included:

"That the state fire marshal extend proper delegation of authority to the fire department to permit better cooperation in the control of hazards and the installation of protective equipment. That the owners of sprinklered buildings be encouraged and urged to provide adequate sprinkler supervisory or water-flow alarm service that the fire department may receive prompt notice of the operation of the sprinklers."

Elizabeth, N. J., Order

In similar vein, but going even stronger, the board of fire commissioners of Elizabeth, N. J., drew up and promulgated an order, making mandatory the maintenance of automatic sprinkler protection in all garages in

the city's congested area, and in all two-story garages, regardless of location.

Most Valuable Protection Device

"Sprinkler equipment," Chief Frank C. McAuliffe of the Chicago fire insurance patrols told the International Association of Fire Chiefs, "is an essential fire-fighting device, and fire chiefs should be as familiar with sprinklers as they are with any other part of their departmental fire-fighting equipment."

"Of all fire protection devices, an automatic sprinkler equipment installed according to sound engineering principles and maintained in an approved manner, is the most valuable," Chief McAuliffe continued. "Protective devices are numerous, but all are designed to perform one or more of three functions—discover fire, retard fire, and extinguish fire."

The men who should be most active advocates of sprinkler protection, however, both to safeguard their own expirations and attract new accounts, are local agents and brokers. They are the key men between property owners and protection; they are the men who have the most to lose if they let a competitor tell their clients first, and the most to gain in prestige, reputation and new accounts if they are ahead of others with the simple story of the plan whereby premium savings for the cost of installing a sprinkler system.

Companies Encourage Use

"Most of the leading companies," said Assistant Manager Gartside of the western department of the Fireman's Fund, "maintain improved risk departments, which were established originally to



A GOOD COMPANY for AGENTS

A RECORD OF 117 YEARS
OF FAITHFUL SERVICE
TO RECOMMEND IT.



NEWARK FIRE INSURANCE CO.

NEWARK, N. J.

T. L. FARQUHAR, President

WESTERN DEPARTMENT

CHICAGO

Law and Hamilton, Managers



encourage and develop the use of automatic sprinklers for fire protection, and to stimulate improved methods of construction, with the further thought in mind of increasing the volume of sprinklered risks and those of fire resistive construction, on their books.

"The automatic sprinkler is the best fire prevention, or rather fire extinguishing, device known, and in view of the fact that fire losses in this country amount to over \$500,000,000 a year, the encouragement of improved construction and fire protection equipment is surely in order."

Barber Back From Abroad

NEW YORK, Feb. 6.—Horatio Barber, president of Barber & Baldwin and also of the Aero Underwriters Cor-

poration and of a group of aviation insurance organizations, arrived here last week after a six weeks' trip abroad. While away he was in close touch with aeronautical interests, he said, and was greatly impressed with the advance made in European commercial aviation. When questioned regarding aviation insurance and the activities of the various companies of which he is the head, Mr. Barber refused to comment. He promised, however, to issue an important announcement in such connection in the near future.

Robertson Returns Home

Norman T. Robertson, president of the Germanic Fire of New York, was in Chicago last week arranging for local representation and meeting Carl

Schreiner, chairman of the executive committee, who is also president of the Pilot Reinsurance of New York. Mr. Robertson was on his way home from the Pacific Coast, where he appointed a general agency for that region.

Layton Rossia Director

Col. Frank D. Layton, president of the National of Hartford, has been elected a director of the Rossia. He replaces the late Harry A. Smith on the directorate.

Cochran, Holton Advanced

Stockholders of the Phoenix have re-elected the directors of the company and the directors have reelected all the officers. Perrin C. Cochran and George W. Holton, who have been assistant secretaries, were promoted to secretaries.

GROWTH OF INSURANCE AND SPRINKLERS TOLD

AETNA FIRE SPECIAL SPEAKS

Adjuster Tells Fire Underwriters Vital Question for the Future Is Business Efficiency

SAN FRANCISCO, Feb. 6.—Tracing insurance from 900 B. C. with the establishment of Rhodian law, W. M. Patterson, adjuster of Portland, Ore., gave interesting excerpts and data on the history of the business taken from various authorities, at the meeting of the Fire Underwriters Association of the Pacific. In concluding his paper he said: "Insurance today is the foremost institution of civilized countries. The business has assumed enormous proportions and the tendency of the 'insurance idea' is toward an ever increasing area of general usefulness. The vital question for the insurance fraternity of the future is 'business efficiency.' If we are conscious of our station and glow with zeal to fill our places as becomes our situation and ourselves we should elevate our minds to the greatness of the profession."

Invented in 1723

Automatic sprinklers had their inception as early as 1723, according to Lewis N. Brainerd, special agent, Aetna Fire, Portland, who told of the crude devices in use at that time for the extinguishing of fires through this method. In 1806 another type of sprinkler was invented and in 1812 still another, but it was not until 1874 when the Parmelee head was perfected sufficiently to be sold for practical purposes that the foundation for the growth of sprinkler leakage insurance was really laid. Outlining the coverage now provided under this form of policy together with the rules under which it is written, Mr. Brainerd then told of the manner in which rates are promulgated.

While this class of insurance has been written for many years, it has only been during the last five or six years that a real effort has been made to gather loss statistics, he said. In 1926, 209 companies reported total net premiums of \$2,352,936, with an average rate of \$1.29 and a loss ratio of 51.2 percent. In 1927 there were 210 companies that reported total net premiums of \$2,176,598, with an average rate of 12 cents and a loss ratio of 30.5 percent, according to the speaker.

WESTERN DEPARTMENT SERVICE IS BOOSTED

Companies maintaining western departments are conducting a very vigorous campaign these days through their field men and other employees emphasizing what they claim is of great advantage, being close personal contact with local agents in the central west. Undoubtedly there is a well directed campaign being waged by such companies. The agents are being furnished with arguments in behalf of western department companies. Competition in the field is decidedly strong and every possible advantage is being taken.

Reinsures Farm Business

The North America has reinsured its farm business in Tennessee and most of its farm risks in Kentucky in the Continental and Fidelity-Phenix. A number of companies have found farm business in these two states unprofitable.

WANTED ADJUSTER

One who has been admitted to the bar and is qualified to handle all classes of claims. Splendid opening for an energetic man—Permanent—Communications will be held in confidence. Address K-9, care The National Underwriter.



THE AMERICAN Insurance Company NEWARK, N. J.

FEBRUARY USE & OCCUPANCY 1929

SVN. | MON. | TUE. | WED. | THV. | FRI. | SAT.

THE Country is prosperous. Nearly every business is subject to the hazard of fire, and yet fire insurance premiums are falling off. Obviously fire insurance is not being written to fully protect the Nation's property and prosperity.

Merchants report annual turn-overs greater than ever before, producing larger profit with reduced inventories. This means smaller premiums for fire insurance on stocks. Manufacturers, utilizing improved transportation and communication facilities, now supply retailers' and wholesalers' demands without keeping large stocks of manufactured product in storage. Premiums for fire

insurance on manufactured products at the plant are, therefore, reduced.

Yet some Agents continue to limit their selling efforts to physical property, only, and overlook their duty to their clients by neglecting the more valuable interests. The manufacturing and merchandising operations of some producers have a higher cash value than the buildings in which the business is carried on!

Many of your clients have more at stake through the possible loss of net profit and unavoidable expense than through the destruction of their buildings, machinery and stock.

LET OUR FIELD MAN HELP YOU.

Wanted: Special Agent

for Tennessee and Southern Kentucky. Stock Company already operating in territory, writing Automobile and General Liability. Replies invited from men well acquainted with agents and territory. Give experience, references and salary expected first letter. Address K-7, The National Underwriter.

Chicago Historical Number

A limited number of copies are still available at 50c each.

These are an invaluable source of insurance history since the Great Chicago Fire.

Call or write today.

The National Underwriter
A1946 Insurance Exchange
Chicago, Illinois

Large Manufacturing Company

Has opening in its Insurance department for a young man with general knowledge and experience in fire and casualty insurance. A good starting salary will be paid to the right man and there is a splendid opportunity for advancement. All replies will be treated strictly confidential. Address K-6, care The National Underwriter.

THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

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Salesmanship Is Needed

COMPANY officials realize the fact that there will not be much increase in premium income this year. There are many factors that militate against an increase. A number of new companies have entered the field and naturally they are out for income and must perforce get it in order to live. Where new buildings are erected they usually are of fireproof construction, or semi-fire proof. Many are sprinklered. The average rate has decreased many points. This cuts down the premium. While large concerns in various lines of business are prosperous the smaller ones are finding it very

difficult to make both ends meet. The farm situation is not improved to any great extent. Hence, rural communities dependent on farmers are still very much in the dumps. Local agents are finding it necessary to do far more selling than they ever did before. They cannot sit idly by and let prospects come to their office. They must study their business, seek out new avenues of approach and new lines to write. There are plenty of people that are not insured for some classes of indemnity that would afford them real protection. There are many buried treasures.

Plan for Installment Payment

MAINTAINING that the collection of premiums is part of general business production and, hence, a function to be performed by the local agents, members of the NEW YORK STATE ASSOCIATION OF LOCAL AGENTS have devised a practical method for financing the accounts of such of their assureds as desire to pay their premiums upon the installment basis rather than in a lump sum. While the departure is the direct result of the plan inaugurated by the TRAVELERS with respect to the collection of automobile liability premiums, the service organization contemplates handling premiums for all classes of indemnity except workmen's compensation.

The agents, sensing moreover that installment paying, now an established and

apparently highly popular feature in many lines of business, will in all likelihood extend to insurance, are ready to deal with it along practical lines, and are to be commended for their foresight in outlining such a program.

While certain details of the program remain to be worked out, notably with respect to policy cancellation notices, in order that the law be strictly complied with, these are being given very careful attention by eminent legal counsel retained for the guidance of the local men. When the service organization is fully launched there can be little doubt that every essential feature of its operation will stand the test, and the interest of all parties to the agreement will be fully maintained.

Learning Lessons from Failures

THE person who is unable to learn something from his failures is to be commiserated. The very best food for thought is to study the causes of one's failures or weaknesses. When one is fed on flattery and seeks it, when he endeavors at all times to elicit compliments, he gives every sign of weakness.

Many a man has become strong because he has given absorbing thought to the causes that have led to his defeat or failure. He uses these as stepping stones to higher attainments. There are abundant lessons to be learned from a comprehensive study of one's own missteps.

Revolt Against New Ideas

WILLIAM FEATHER, editor of "Timely Figures," remarks that one of the things he likes about business is that buyers and sellers do not weep on each other's shoulders. They keep their troubles to themselves, taking losses, disappointments and heartaches philosophically as becomes gentlemen. Business

men, he asserts, size each other up thoroughly. Performance counts. Mr. FEATHER has no sympathy with the attempt that has been made by the new priesthood to read a lot of nonsense into the business ritual. It does not belong there and it is a healthy sign that there has been a revolt against it.

PERSONAL SIDE OF THE BUSINESS

A number of western managers in Chicago gave a luncheon at the Union League Club last Friday, a tribute to **Leo H. Lowe**, the newly appointed director of trade and commerce of Illinois. Manager C. R. Tuttle of the North America presided. Mr. Lowe was introduced by C. J. Doyle of Springfield, associate general counsel of the National Board. Governor Emmerson has asked Mr. Doyle to give some legal advice to the new director on some of the complications of his office from the insurance standpoint. Mr. Lowe made a very favorable impression on the insurance people.

R. L. Mouk, the new western general agent of the North British & Mercantile to its head office, becomes a member of the Western Union succeeding F. A. Gantert, who has been elected vice-president of the Fidelity & Guaranty Fire of Baltimore.

The Western Union will celebrate its 50th anniversary at the fall meeting this year. It is proposed to have a notable banquet on that occasion. The 25th anniversary was celebrated at the old Frontenac hotel in the Thousand Islands. Just where the fall meeting will be held has not yet been determined.

Mr. and Mrs. **Albert L. Kinsey** sailed from New York on the steamship Columbus for a long tour of the West Indies, South America and Central American ports. Mr. Kinsey is head of the Buffalo insurance agency bearing his name.

W. E. Hill, who resigned his connection with the General Adjustment Bureau at Philadelphia several days ago to join the staff of the National Board as assistant to General Manager W. E. Mallalieu, will take care of such work as the latter may assign him. Mr. Hill's reputation is a guaranty that whatever he undertakes will be well done. The activities of the National Board are constantly increasing, and while much of the work is systematized and handled by the different departments, there are yet numerous important matters cropping up which call for prompt attention. This makes imperative a general aid to Mr. Mallalieu who has both the knowledge and the energy for their handling. Mr. Hill has had a number of years experience in fire underwriting affairs and bears a high reputation for executive ability.

United States Manager **R. R. Martin** and Western Manager **E. M. Schoen** of the **Atlas Assurance** are in Arkansas this week visiting Coates & Raines, general agents. They are spending a few days at Hot Springs. Mr. Martin will go from there to Texas and other points to visit Atlas offices.

Judge C. S. Younger, recently appointed state superintendent of insurance of Ohio, has entered upon his new duties. He found quite a lot of work before him, as his predecessor, **W. A. Doody**, did not feel disposed to commit the new superintendent to a number of matters which came up late during his administration. Through courtesy to his successor he deferred action upon a number of important matters. Judge Younger enters upon his work with a ripe experience in the department and with the best wishes of many friends in the insurance business, with whom he is deservedly popular.

Lyle Stephenson, Kansas City local agent, and probably the city's most widely advertised man, used front page advertisements in a local paper there last week for a unique purpose. Mr. Stephenson has a very valuable and extensive library, including many rare books and first editions. Recently he decided to

have a librarian catalogue the collection. But before doing so he wanted all his books on hand and so he used the two-line front-page ads to recall the books. One mentioned specifically a Comstock's "Introduction to Entomology," a \$25 book, which was lent to a Boy Scout two years ago. The "ads" began to bring results immediately, and Mr. Stephenson is getting back a number of his valued books. Incidentally he says that he has found several borrowed books in his own library which he is preparing to return.

Claude Patterson, secretary of the Southern Automobile Underwriters Conference, while in Chicago last Thursday attending a joint session of officials of the various sectional conferences preparing the 1929 rate manuals, was called back to Atlanta by a telephone message from his wife telling of the burning of their home.

Clayton B. Shepperd, Michigan state agent of the American Central, suffered severe injuries in an auto accident last Friday. Mr. Shepperd is one of Detroit's oldtime insurance men and is widely known. At last reports his condition was still serious.

James W. Cochran, president of the Fire Association and its allied companies, who underwent an appendicitis operation Jan. 7, is now at his home, where he is recuperating as rapidly as could be expected.

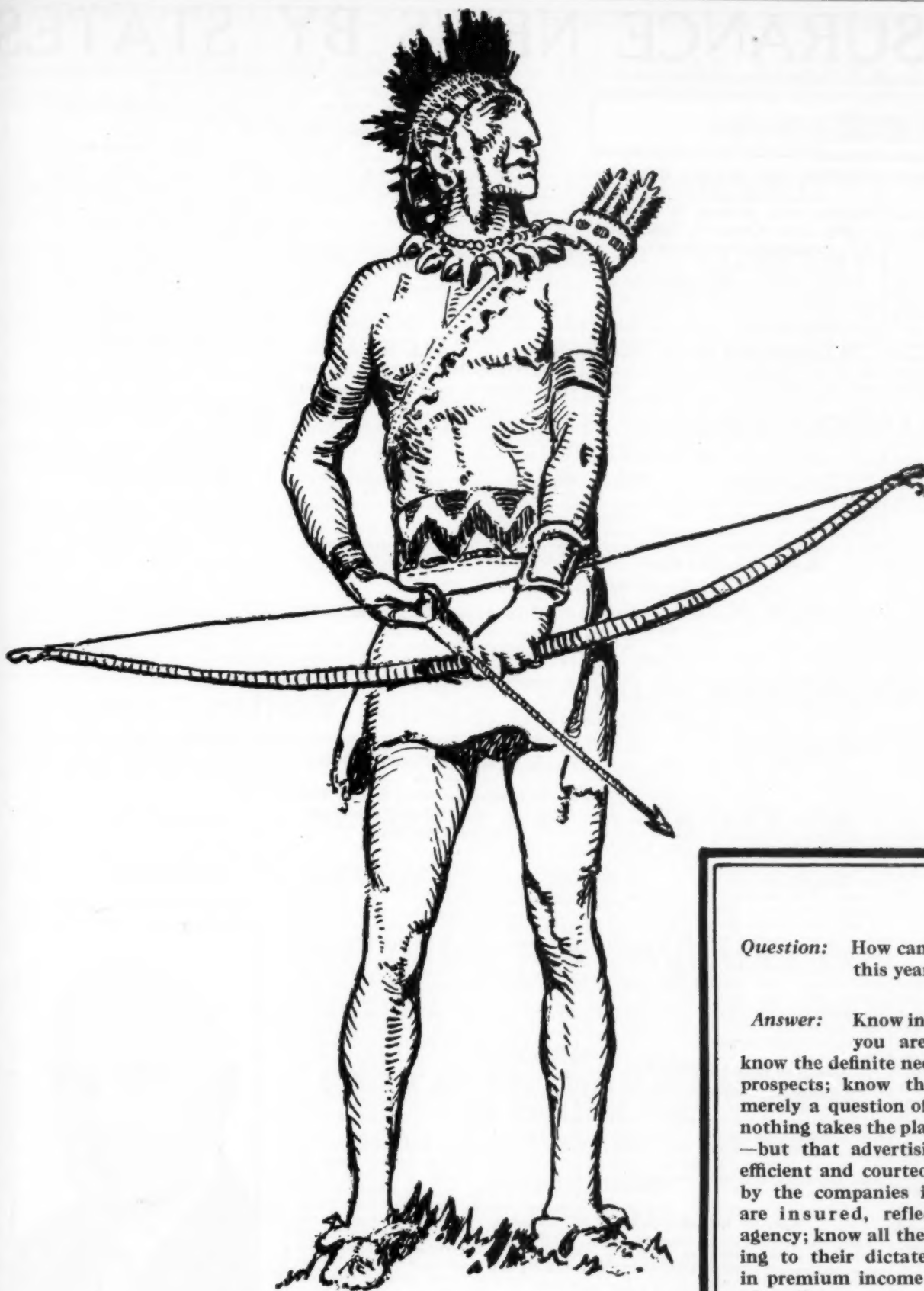
John McClure, veteran adjuster of the St. Paul Fire & Marine, is now a great-grandfather. His granddaughter, Mrs. Howard Sprindler, is mother of a new daughter and this puts John McClure right in the great-grandfather class. This young lady has three generations of ancestors who have been connected with the St. Paul.

William I. Greene, member of Greene Bros. & Hansen, well-known Milwaukee local agents, is the acting mayor of Milwaukee for the next two months, in the absence of Mayor Daniel W. Hoan and Cornelius Corcoran, president of the common council. Mr. Greene is a brother of Walter T. Greene, past president of the Wisconsin Association of Insurance Agents. He has been a member of the city council continuously since 1912. He was first elected in 1898 and served two years.

He is the most ardent fire fan in Milwaukee and there hasn't been an important fire in years, night or day, that he has not attended. Reporters for the newspapers, who must estimate fire losses quickly, have for years relied upon his judgment to assist them.

Western Manager **H. W. Murray** of the Universal is enlarging his service. He has taken about twice his original space in the Insurance Exchange at Chicago for the western department. This week Vice-President S. Curtis Bird and Vice-President and Secretary John T. Byrne from the head office in New York came to Chicago to confer with Mr. Murray who called in the field men. A luncheon was held Tuesday at which Mr. Murray presided, when plans for increasing the service in the west were discussed.

It is now proposed to have in about 60 days, in addition to the fire insurance department, a full fledged automobile, ocean marine and inland marine department operated in connection with Mr. Murray's office which will be superintended by an experienced man. Mr. Bird traveled by rail from New York to Cleveland and then took the airplane to Chicago. Both he and Mr. Byrne returned to Cleveland by airplane. Mr. Murray's department now comprises nine states.



"AMERICA FORE"

Question: How can I sell more insurance this year?

Answer: Know intimately the coverages you are attempting to sell; know the definite needs of your clients and prospects; know that often "selling" is merely a question of "telling"; know that nothing takes the place of personal contact—but that advertising helps; know that efficient and courteous handling of losses by the companies in which your clients are insured, reflects credit upon your agency; know all these things—act according to their dictates—and your increase in premium income for 1929 will take care of itself.

**FIRST AMERICAN
FIRE INSURANCE COMPANY**

ERNEST STARKE, Chairman of the Board
WILL C. LARSEN, President

CASH CAPITAL — ONE MILLION DOLLARS

NEW YORK CHICAGO MONTREAL DALLAS SAN FRANCISCO

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

AGENTS BACK TWO MEASURES

West Virginia Association of Insurance Agents Favors Qualification and Anti-Compact Bills

CHARLESTON, W. VA., Feb. 6.—Senator Hallinan has introduced senate bill 114 known as the anti-compact law governing commissions and rates and senate bill 115 known as the agency qualifications bill. Both are sponsored by the West Virginia Association of Insurance Agents. The section pertaining to combination as to rates or commissions is as follows:

Combinations Forbidden

Section 26-2. If any such person, corporation or association doing business in this state shall enter into any compact or combination with other insurance companies, or require its agents to enter into any compact or combination with other insurance agents or companies, for the purpose of controlling the rates charged for fire insurance on property in this state, or of controlling the rates, percent or amount of commission or compensation to be allowed agents for procuring contracts for such insurance on such property or the representation of companies by their agents, the insurance commissioner shall revoke and recall the license to it to do business in this state, after giving the notice and proceeding in the manner set forth in section 15c of this chapter, and no renewal thereof shall be granted for three years after its revocation. Such person, corporation or association shall also be prohibited from transacting any business in this state until again duly licensed and authorized. Nothing in this section shall prevent the conducting of the now so-called stamping office of the West Virginia Fire Underwriters Association so long as they operate with fair and reasonable rules and regulations. Nothing in this section shall prevent one or more of such companies from employing a common agent or agents to supervise defective structures or advise respecting them or to suggest improvements for lessening their fire hazards or advise as to their relative values or risks.

Agency Qualification Bill

The qualification bill requires a statement from an official or representative of a company stating that the applicant is personally known and is a resident of West Virginia, that he has had experience or instruction in general on some mentioned special line of insurance, that he is of good business reputation and that he is not an executive or salaried employee of any such company. The insurance commissioner is then authorized to make an examination of the applicant to ascertain whether he is familiar with the insurance laws, provisions, terms and conditions of the policies or contracts. The commissioner after 20 days' notice of his intention can revoke the license if he finds on investigation that it was obtained by fraud, misrepresentation or if the interests of the company or public are not being properly served.

Broadcast Fire Prevention Talks

Another fire prevention talk over WEO at Ohio State University, Columbus will be given at 7:30 p. m., Feb. 15. The speaker will be Arthur Lohmeyer of the Aetna at Columbus. These talks have aroused much interest, not only in Ohio but in surrounding territory which is reached by the WEO wave lengths. Request has been made that all fire insurance men in Ohio listen in on these talks and also notify their patrons when they are to be held so they may tune in. An effort is being made to arouse the interest of the general public in these addresses on fire prevention, which are not only interesting but very instructive.

CONFER IN WEST VIRGINIA

Decision as to Renewal of Litigation May Await Change in State Administration on March 4

CHARLESTON, W. VA., Feb. 6.—As a result of the recent meeting of the executive committee of the West Virginia Association of Insurance Agents, the question of renewing a request for an injunction against the companies in the West Virginia Uniformity Association was submitted to attorneys and a conference was held with Commissioner Mallison. The point to be considered is whether the implied threat in the material submitted by the several companies in their demand that agencies must be clear or supplies would be taken up constitutes a violation of the agreement made at the time the injunction was dismissed on stipulations. Mr. Mallison thought it was a violation and seemed for a time to favor another court action.

Further Conference Held

However, last week a representative of the companies came on from New York. A call was sent out for a conference at the commissioner's office. President Kincaid of the state association came on from Montgomery and took along his attorney to the conference. The incoming state auditor, Edgar Lawson, also consented to sit in at this conference, reserving the right to keep his own opinion until after he goes into office.

It is reported that Mr. Mallison decided that the agents must formally submit their case to him, and then he will decide upon his next step, intimating that he would see what the companies had to say upon the showing made. It seems probable that the matter will have to drag on until the change of administration March 4.

Meanwhile agents are sending in signed contracts as clear agencies so as to get their usual 20 percent commissions or are sending word that they will continue as mixed agencies and take the 15-25 commission plan. Then they will wait to see if the implied threat really means what has been suggested that Uniformity Association companies will take up supplies from all agencies continuing as mixed agencies.

Ohio Tax Repeal Progressing

The Ohio house insurance committee has recommended for passage the senate bill to repeal the one-half of 1 percent extra tax on insurance companies. In his talk to the Ohio State Life at its annual banquet, Governor Cooper gave assurance that this act would be repealed.

Asks for License

COLUMBUS, O., Feb. 6.—The Ohio department has been asked to grant a license to transact business in Ohio to the Security Land Insurance Company of Jacksonville, Fla. The company insures lots against depreciation within a period of six or seven years. Farms are not insured. A representative of the company has been in Columbus conferring with Judge C. S. Younger, the new Ohio superintendent of insurance. It is said the company is licensed in Tennessee, Florida, Alabama and several other states.

Ohio Inspection Plans

Under the auspices of the Ohio Fire Prevention Association a town inspection will be held at Caldwell Feb. 21. There have been a number of bad fires in that section of the state. W. S. Winard of the Ohio Inspection Bureau will talk to the school children, and Raymond D. Kirkpatrick of the Ohio Farmers will address a meeting of farmers. The American Legion, Kiwanis Club and Caldwell Business Men's Association are cooperating with the fire prevention association. Members of the farm committee of the Ohio Fire Prevention Association are H. P. Winter, chairman; R. D. Kirkpatrick, Harry H. Hughes and R. S. Tidrick.

Future town inspections are proposed as follows: Portsmouth, probably week of March 4, R. H. Learn, E. W. Powers, H. C. Davis, committee; Steubenville, probably in May, W. H. Witherspoon and R. E. Metzger, committee; Lima, probably in April, Martin Vold and A. S. Snow, committee. The Lima Insurance Exchange is cooperating in the Lima inspection, through Mr. Folsom.

Fire Trucks May Disregard Lights

CLEVELAND, Feb. 6.—Cleveland fire apparatus may crash the red lights of traffic signals from now on in accordance with Safety Director Barry's decision of the past week. A request for such ruling came from Fire Chief Wallace. For two years fire engines have had to conform more or less to traffic signals while en route to fires, resulting in a loss of as much as 10 minutes in reaching the destination.

Under the new plan fire trucks must sound their sirens and bells when approaching the cross street signal, come to a full stop and then proceed with caution against the light.

To Arrange for Banquet

Charles W. Davis, chairman, W. J. James, Joseph A. Kysela, Robert H. Perdue and George C. Simpson are the com-

mittee on arrangements for the annual meeting of the Cleveland Insurance Board, Feb. 23.

West Virginia Notes

Fire thought to have started in the battery charger located on the second floor of the Buick Company's quarters on Main street in Logan, W. Va., caused a building damage of some \$10,000 and the loss of 15 automobiles. The building was insured.

A suspicious fire which destroyed 36 automobiles in the garage of the Charleston Kissel Company March 10, 1927, resulted in an inquiry by the state fire marshal. An alleged confession led to a court action on a charge of arson now awaiting trial. Meanwhile the insured brought suit against the Globe & Rutgers and last week secured an award of \$8,000 against the company.

Ohio Notes

Fire destroyed the furniture plant of the Logan, O., Manufacturing Company with a loss of \$75,000. An explosion was responsible.

W. J. Gilsdorf of the North America, Columbus, gave an address on fire prevention work a few days ago before the Rotary Club at Gallon, O.

The following agents have recently been licensed by the Virginia department to represent the Richmond branch office of the Girard Fire & Marine: J. K. Routh and C. L. Shuffeberger, both of Bluefield, Va.; George Edward Weltzel and Julian A. S. Meyer, both of Richmond.

Paul L. Ruehrmund, local agent of Richmond, Va., has incorporated his agency with \$50,000 capital. Officers are Paul L. Ruehrmund, president; Fritz R. Sauber, vice-president; Clifford C. Pedigo, secretary-treasurer. Messrs. Sauber and Pedigo had been associated with Mr. Ruehrmund for some time.

CENTRAL WESTERN STATES

WILL OPEN GENERAL AGENCY

W. T. Funkhouser, Well Known Field Man, and A. C. Roberts, Agent and Adjuster, Join Hands

W. T. Funkhouser of Decatur, Ill., state agent for the Crum & Forster companies in Illinois for the last 10 years, has resigned to form a general agency partnership, the new firm being Funkhouser & Roberts. The other member of the firm is A. C. Roberts of Olney, Ill., well known local agent and independent adjuster. Mr. Funkhouser is one of the active and forceful field men of the state who has a wide acquaintance in Illinois. He was formerly a local agent at Carmi, Ill. Funkhouser & Roberts will act as Illinois general agents for the Bronx Fire, Merchants & Manufacturers and Cosmopolitan of New York, outside of Cook county. They will have their office in the Schultz building in Olney.

Mr. Funkhouser's field experience has all been with Crum & Forster where he has achieved notable distinction. Mr. Roberts is held in high regard by the insurance people because of his successful adjusting work. Mr. Funkhouser will give all his attention to the general agency. Mr. Roberts will continue to do adjusting and look after the local office as well as give some time to the general agency. The Bronx and Merchants & Manufacturers are both Corroon & Reynolds' companies. The two partners were in Chicago this week conferring with R. R. Chapman, western general agent, R. R. Wilde, general agent of the western department, and C. M. Herring, general agent of the automobile department, who are on a western trip.

Executive Meeting Scheduled

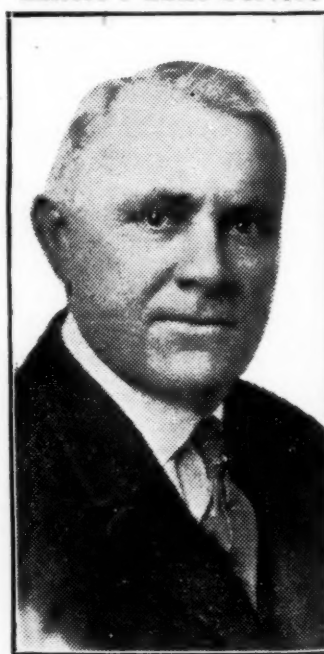
The executive committee of the Insurance Federation of Illinois was scheduled to meet in the organization's headquarters in Chicago this week to complete plans for the annual meeting.

This meeting probably will be held late this month, but the date has not yet been set.

Deggendorf Takes Charge

Following the resignation of Bert C. Ellis as Indiana state agent of the Colonial Underwriters and the Mechanics

Enters Public Service



H. H. CLEAVELAND

H. H. Cleaveland of Rock Island, who has been appointed director of public works by Governor Emmerson of Illinois, is one of the foremost insurance men of the state. He is interested in many enterprises and is a civic leader.

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President

A. H. HASSINGER, Vice President

JOHN KAY, Vice President and Treasurer

WELLS T. BASSETT, Vice President

JANUARY 1ST, 1928, STATEMENTS

ORGANIZED 1855 FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
\$40,000,136.83	\$19,459,279.01	\$7,500,000.00	\$13,040,857.82	\$20,540,857.82

ORGANIZED 1853 THE GIRARD F. & M. INSURANCE COMPANY OF PHILADELPHIA, PA.

\$6,000,966.28	\$2,930,594.84	\$1,000,000.00	\$2,070,371.44	\$3,070,371.44
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ORGANIZED 1854 MECHANICS INSURANCE CO. OF PHILADELPHIA, PA.

\$4,828,245.29	\$2,820,808.68	\$600,000.00	\$1,407,436.61	\$2,007,436.61
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ORGANIZED 1866 NATIONAL-BEN FRANKLIN FIRE INS. CO. OF PITTSBURGH, PA.

\$4,907,721.63	\$2,557,216.60	\$1,000,000.00	\$1,350,505.03	\$2,350,505.03
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ORGANIZED 1871 SUPERIOR FIRE INSURANCE CO. OF PITTSBURGH, PA.

\$4,835,369.35	\$2,520,317.56	\$1,000,000.00	\$1,315,051.79	\$2,815,051.79
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ORGANIZED 1870 CONCORDIA FIRE INSURANCE CO. OF MILWAUKEE, WIS.

\$5,250,424.26	\$2,567,447.92	\$1,000,000.00	\$1,682,976.34	\$2,682,976.34
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ORGANIZED 1886 CAPITAL FIRE INSURANCE CO. OF CONCORD, N. H.

\$760,298.04	\$375.00	\$300,000.00	\$459,923.04	\$759,923.04
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TOTAL OF ASSETS
\$66,583,161.68

TOTAL OF LIABILITIES
\$32,856,039.61

TOTAL NET PREMIUMS
\$25,684,495.78

WESTERN DEPARTMENT

844 Rush Street
Chicago, Illinois

H. A. CLARK, Manager

Assistant Managers

H. R. M. SMITH

JAMES SMITH JOHN R. COONEY

EASTERN DEPARTMENT

10 Park Place

NEWARK, NEW JERSEY

CANADIAN DEPARTMENT

461-467 Bay Street

TORONTO, CANADA

MASSIE & RENWICK, Limited,
Managers

PACIFIC DEPARTMENT

60 Sansome Street

San Francisco, California

W. W. & E. G. POTTER,
Managers

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

Can You Face the Facts?

Can you proudly face your client immediately after a loss knowing his property is correctly insured and he can recover satisfactorily? Or do you hesitate because you are doubtful whether or not his property is over or under insured and you hate to learn the truth? The ultimate bad effect of over or under insurance after a loss is directly upon the agent and the agency he represents. This fact cannot be overlooked.

Many insurance men avoid any bad effects a loss of their client's property may have on them, by suggesting to the client a Lloyd Thomas appraisal. Men experts in this field, appraise the client's property—find the true insurable value and keep the figures always up-to-date. From these values the proper protection can be placed on the property—the property will be neither under or over insured. Then at time of a loss the insurance men are proud to face facts.

"WHAT IS AN APPRAISAL?"—It is a complete classified inventory of insurable property (except stock, merchandise and raw materials). Each item of property is valued at today's cost to replace new. The amount of accrued depreciation is determined and the sound insurable value is given.

"ITS ADVANTAGES"—1st—It discovers insurable values that have long been written off the books through unscientific depreciation. 2nd—It gives the agent, the assured, and the companies value facts of property. 3rd—It makes for adequate insurance protection, for in nearly every instance it calls for additional insurance.

The Lloyd Thomas Co.

RECOGNIZED AUTHORITIES ON PHYSICAL VALUES



4411 Ravenswood Ave., Chicago
120 Broadway, New York

Cincinnati
St. Louis
Denver
Washington
Birmingham

Cleveland
Milwaukee
Toronto
Los Angeles
Omaha

Detroit
Pittsburgh
Minneapolis
Atlanta
Berlin

Indianapolis
Memphis
Kansas City
Des Moines
London

TODAY

Buyers of insurance are demanding the best. Realizing this the Twin City Fire has developed until it is able to serve them completely and satisfactorily in all their insurance problems.

Writing fire, tornado, farm, automobile, hail, tractor and fur coat floater insurance in 33 states.

TWIN CITY FIRE
INSURANCE COMPANY
Minneapolis Minnesota

& Traders, Fred C. Degendorf, Indiana state agent of the National Fire, has been given jurisdiction of these two companies also for the state. The Franklin National and the Transcontinental also belong to this fleet and are under Mr. Degendorf's supervision. His assistants are E. P. Ressler and Frank S. Grahm, special agents for the state.

LARGE ATTENDANCE AT MEETING IS ANTICIPATED

President Harry M. Zimmer of the Illinois State Fire Prevention Association announces that Peoria will be inspected Feb. 27-28 under the auspices of the Association of Commerce. A noon-day luncheon will be held the first day with R. E. Vernor, head of the fire prevention department of the Western Actuarial Bureau, as the speaker. The civic organizations cooperate with the Association of Commerce. Harry K. Rogers will appear before the school children in his celebrated clown act the second day. It is expected that about 75 field men will be needed to make the inspection. There will be between 700 and 800 people at the luncheon.

FIDELITY-PHENIX AGENTS GET MEDALS

Thomas R. Dungan, Indiana state agent of the Fidelity-Phenix, has delivered to the following agents in his territory gold medals, suitably inscribed, which are the official decoration of the "Old Guard" who have completed 25 years' representation of the company: C. E. Jones, West Lebanon; William G. Erick, Spencerville; C. L. Jeffrey, Chesterton; E. L. Morgan, Chesterton; J. L. Wyatt, LaOtto; George M. Plake, LaPaz, and George McAlpin, Greenwood. "It is interesting to know, and we are proud of the fact," Mr. Dungan says, "that in Indiana alone 120 of our agents have been individually honored in this regard, whose length of service ranges from 25 to 45 years, which in itself speaks volumes for the high regard in which our agents hold the company."

Two Agencies Merge

Kelley, Lederer & Ginz, South Bend, Ind., agency, and Warner & Carlisle, another agency of the city, have consolidated under the name of Ginz & Carlisle. The new firm has opened for business in the quarters formerly occupied by the Kelley, Lederer & Ginz agency. Carl W. Ginz, president, and Charles A. Carlisle, Jr., secretary-treasurer, will supervise operations for the agency.

Construction of Michigan Law

The question is construction of Act 264, Pub. Acts of 1921, quoting: "No policy of fire insurance shall hereafter be declared void by the insurer for the breach of any condition of the policy if the insurer has not been injured by such breach, or where a loss has not occurred during such breach, and by reason of such breach of condition. Held that there are no conditions in the standard form of fire insurance policy the breach of which does not injure the insurer. It is not to be considered that any condition of such policy, prescribed by the legislature and contracted by the parties, is so immaterial that a breach is without injury. That breach be available in defense, there must be a causal relation between the breach and the loss. This holding was followed in the case at bar.—Yearnd vs. Northern of N. Y., Sup. Ct., Mich.

Celebrates Chief's Record

LANSING, MICH., Feb. 6—A testimonial banquet was given this week for Chief Hugo Delfs of the local fire department, which marked the veteran fire chief's 25th anniversary at the head of the local department and his 39th year of service with the local fire fighters.

Clyde B. Smith, chairman of the executive committee of the National Association of Insurance Agents, presided at the dinner. Members of the Lansing Association of Fire & Casualty Underwriters and officers of the fire insurance car-

riers with home offices in Lansing were present. The companies participating were the Columbian National Fire, the western department of the Boston and Old Colony, managed by Rawlings & Hewett and the Michigan Millers Mutual Fire.

Detroit Insurance Agency

The Detroit Insurance Agency, which has moved to the new Fisher building at Boulevard and Second street, Detroit, opposite the General Motors building, occupies the fifth floor of the West Grand boulevard section. The Fisher building is one of America's finest office buildings. It is constructed entirely of granite and marble. It is very conveniently located.

The Detroit Insurance Agency was founded by George J. Gnau in 1901, having offices in the Hammond building. When the Dime Bank building was completed, the agency was one of the first to take office space there. Then as its business expanded it went to the top floor of the Insurance Exchange building, just on the rim of Detroit's loop and within a block of Grand Circus Park. The headquarters of the Detroit agency have been artistically designed and is one of the most complete local offices in the west. The officers of the Detroit Insurance Agency are: George J. Gnau, president; George W. Carter, first vice-president; Harry L. Newman, second vice-president; Louis J. Lepper, secretary-treasurer; Howarth W. Gnau, assistant secretary.

Indiana Blue Goose Initiation

The Indiana Blue Goose will hold an initiation next Monday evening in Indianapolis following a beefsteak dinner. Preparations are being made to give a good-sized flock of innocent and unsuspecting goslings their first swim. Lon D. McConnell is most loyal gander of the Indiana pond.

Hoosiers to Hear Safety Talks

The Northern Indiana Industrial Safety Conference will hold an all-day business meeting at Fort Wayne Feb. 15, under the auspices of the Fort Wayne Safety Council. Among the speakers scheduled for the forenoon session are J. B. Gibson of the Western Electric Company, Chicago, who will tell of "Safety Programs That Work," and Richard E. Vernor, manager of the fire prevention department of the Western Actuarial Bureau, who will speak on "Fire Prevention and Fire Safety." The program for the afternoon session contains the names of three other Chicagoans—Dr. W. B. Fisk of the International Harvester Company, who will deal with "Placement of Men from Accident Prevention Standpoint"; Frank E. Strouse, special representative of the Pennsylvania Railroad, who will treat of "Mental Causes of Accidents," and I. Gordon of the Bureau of Safety, who will discuss "Safety—a Community Problem." Charles L. Bartlett, traffic judge, recorder's court, Detroit, will talk on "Traffic Problems" at the evening meeting, to be held as a banquet.

Michigan Notes

E. N. Richards of Chicago, vice-president of the Recording & Statistical Bureau of New York, was in Detroit this week on business.

George W. Carter of the Detroit Insurance Agency, president of the Michigan Insurance Federation, left this week on a business trip to Seattle, Wash., on which he expects to be gone some time.

R. B. Osgood of the A. H. Dinning Co., Detroit adjusters, who has been connected with the auto department, this week transferred his affiliation to the Western Adjustment, Manager John A. Hanson of the Western announces.

Fire thought to have originated in a paper chute spread upward through a portion of the six-story building occupied by the Wurzburg Dry Goods Company of Grand Rapids. Water damage was thought to be considerably larger than actual fire loss as 20 sprinkler heads of the automatic system were set off and parts of the second and third floors were completely inundated.

Loss estimated at from \$65,000 to \$100,000 was sustained at St. Johns, Mich., in a blaze which threatened the business district for a time and which destroyed two large auto salesrooms and garages, damaged another agency's building, and ruined dozens of machines. The buildings destroyed were occupied by the Cole Brothers and C. G. Patterson, while the structure damaged was that of Carroll & Huey.

A new trust company, the Central Trust, opened its doors in Detroit this week with U. Grant Race, senior member

of the law firm of Race, Haas & Allen, as president. Mr. Race formerly was president of the American Trust and is a director of the Peoples Wayne County Bank. The insurance and tax department is in charge of Albert A. Hug, who was for ten years in charge of the insurance department of the Detroit Trust Company.

Indiana Notes

Purchase of the C. T. Lawrence Agency, Evansville, Ind., by Raymond C. Thomas, is announced. Mr. Lawrence will remain with the new firm.

Eric L. McKew, manager of the commercial agency of R. G. Dun & Co. since 1919, has resigned to become manager of the insurance department of the Indiana Trust & Savings Bank there and

has assumed his new duties. A. C. Richardt, head of the Richardt Insurance Agency is the president of the Indiana Trust & Savings Bank.

At Gary, Ind., Guffin & Mauzey have been appointed managers of the insurance department of the Gary State Bank. The business will be conducted from the present office location of the agency.

Illinois Notes

Funeral services for Henry Marx, pioneer insurance agent of Granite City, Ill., were held on Feb. 1. Mr. Marx, who was 73 years old, came to this country from Germany more than 30 years ago and was active in the insurance and real estate business until his retirement five years ago.

STATES OF THE NORTHWEST

WISCONSIN PLAN ANNOUNCED

National Union Will Not Engage State Agent to Succeed Marquardt, Who Has Retired

The National Union Fire is not putting on an additional man in Wisconsin following the resignation of State Agent Marquardt. He was assisted by L. R. MacDonald as special agent. Following Mr. Marquardt's resignation and the purchase of control of the American Founders Fire of Milwaukee, the National Union has been operating with J. A. Fleckenstein as manager of the Wisconsin service office. Mr. Fleckenstein is vice-president and secretary of the American Founders. Mr. MacDonald has charge of the recording agencies in the state for the National Union Fire, National Union Indemnity and American Founders.

Baerwald on Vacation

Charles H. Baerwald, president of the Baerwald, Hoffman & Co. agency, Milwaukee, has left for New York from where he will sail on the steamer Rotterdam for a three-months' cruise on the Mediterranean.

State to Carry Full Risk

BISMARCK, N. D., Feb. 6.—The Sperry-Olson bill, which eliminates the excess insurance features of the fire and tornado fund, passed the North Dakota senate by a vote of 26 to 21 and the clincher was immediately applied. This bill permits the state fire and tornado department to carry full risk on all public buildings in the state.

The Sathre reciprocal insurance bill was recommended for passage by the senate insurance committee. The bill permits insurance agents in other states which permit like privileges to North Dakota agents to be licensed in this state.

Would Repeal Rating Bureau Law

MADISON, WIS., Feb. 6.—Attacking the alleged "monopolistic control of fire insurance rates in Wisconsin by a few big companies which force the smaller ones to do as they bid," Representative Mauthe of Fond du Lac county will introduce bills providing for repeal of Section 203.22 of the Wisconsin statutes, which provides that every fire, lightning and windstorm insurance company operating in Wisconsin must be a member of a rating bureau.

St. Paul January Losses Heavy

ST. PAUL, Feb. 6.—January fire losses in St. Paul were abnormally heavy, exceeding \$400,000, according to the estimate of Capt. John Townsend of the insurance patrol.

Half a dozen large fires account for the bulk of the losses. These included Armour & Co., \$100,000; La Salle Products Company, \$168,000; commission row building, \$90,000; Hamm Brewing Company, \$20,000, and two or three other fires in which the losses ranged from \$10,000 to \$15,000.

Rate Supervision Bill In

BISMARCK, N. D., Feb. 6.—Supervisory power over all insurance rates in North

Dakota is granted the state insurance department by a bill introduced by Representative Thatcher. The bill gives the commissioner power to examine rates as often as deemed expedient and "not less than once every three years." It prohibits fire companies from charging "any rate for insurance upon property in this state which discriminates unfairly between risks in the application of like charges and credits, or which discriminates unfairly between risks of essentially the same hazards and having substantially the same degree of protection against fire."

Another new house bill would permit the organization of a \$100,000 domestic stock insurance company to purchase a second company of similar capital organized prior to 1919.

Foster's Wisconsin Addresses

MILWAUKEE, Feb. 6.—W. S. Foster, assistant western manager of the North America, Chicago, addressed members of the Sheboygan Board and the Oshkosh Insurance Underwriters Association last week in their respective cities. His address was the first to be given in a series of the insurance courses in these cities. He spoke on "Insurance Fundamentals and Their Meaning to Business."

Would Repeal State Hail Law

PIERRE, S. D., Feb. 6.—A bill has been introduced in the South Dakota legislature for a repeal of the state hail insurance law. This is in fact just a "feeler," as another bill has been prepared, but not yet introduced, which would change the features of that law, cutting out the compulsory provision and making all county assessors and county auditors solicitors for business in the fund at a set price per acre for their work.

Another bill would repeal the state bonding law by which official bonds of state and county officers are carried in a state fund.

Wisconsin Notes

Fire at Blanchardville, Wis., Jan. 31 caused a loss of about \$50,000. Two buildings were burned to the ground.

G. F. Risley, state agent for the Rochester American in Wisconsin, is the proud father of a baby girl born last week.

The Cleveland Insurance Agency, Marshfield, Wis., has incorporated. The incorporators are Clifford Cleveland, Beatrice Cleveland and Edward Rauh.

The last of its winter series of dinner meetings will be held by the Milwaukee Board Feb. 13. There will be no speaker at the meeting and the regular business of the board will be disposed of.

Fire destroyed a two-story frame building on Thirty-ninth street, North Milwaukee, Feb. 4, and caused a loss of about \$50,000. Much merchandise, including tables and radio cabinets was destroyed and valuable machinery was damaged.

Fire last week caused damage of between \$25,000 and \$30,000 to the machine shop of the vocational high school at Green Bay, Wis. The flames destroyed the front part of the structure while there was considerable water damage in the rear of the building.

Fire destroyed half a dozen business buildings at Cedar Grove, Wis., and wiped out a large portion of the business district the night of Feb. 1. The loss has been estimated at \$100,000. Fire departments from Kohler, Sheboygan Falls, Random Lake and Belgium answered the call, and fought their way through snowdrifts. Great difficulties confronted the firemen as water froze and then gave out and the chemical extinguishers soon were empty.

NEW HAMPSHIRE FIRE INSURANCE CO. AND AFFILIATED COMPANIES



A GROUP OF STRONG COMPANIES with record of many years of service to the agent, at all times in a cooperative spirit, and well earned reputation for prompt discharge of policy obligations in a broad and liberal manner, a basis of management serving to cement a happy relationship with our agents as the years roll on

NEW HAMPSHIRE FIRE INSURANCE CO.
MANCHESTER, N. H.
ORGANIZED 1869

GRANITE STATE FIRE INSURANCE CO.
OF PORTSMOUTH, N. H.
ORGANIZED 1885

L. B. LEIGH & CO.

General Agents for
Arkansas
Little Rock,
Arkansas

COATES & RAINES

General Agents for
Arkansas
Little Rock,
Arkansas

C. F. CUNINGHAM

General Agent for
Arkansas
Little Rock,
Arkansas

BRAERTON & FORSYTH CO.

General Agents for
Colorado, Wyoming
and New Mexico
Denver, Colorado

COBB, M. STEIN

General Agent for
Colorado, Kansas,
Denver

FISH & SCHULKAMP

General Agents for
Wisconsin
Madison, Wisconsin

J. N. HOBBS

General Agent for
Wisconsin and
Minnesota
Madison,
Wisconsin

THE NECKERMANN AGENCY

General Agents for
Wisconsin
Madison,
Wisconsin

REINHARDT WEST & CO.

General Agents for
Texas
Dallas
Texas

C. P. HELLIWELL

General Agent for
Wisconsin
Milwaukee, Wis

GEORGE M. EASLEY & CO.

General Agents for
Texas
Dallas
Texas

TREZEVANT & COCHRAN

General Agents for
Tex., Ark., La.,
Okla. and New
Mexico
Dallas
Texas

ALAMO UNDERWRITERS GENERAL AGENCY

General Agents for
Texas
San Antonio, Texas

THE T. E. BRANIFF CO.

General Agents for
Oklahoma, Texas and
Kansas
Oklahoma City,
Oklahoma

L. N. EWING & CO.

General Agents for
Oklahoma
Tulsa, Oklahoma

AMERICAN AGENCY

General Agent for
Oklahoma
Tulsa, Oklahoma

T. A. MANNING & SONS

General Agents for
Texas and Arkansas
Dallas Texas

DEXTER BROS. & WHEELER

General Agents for
Texas
Dallas,
Texas

CRAVENS, DARGAN & CO.

General Agents for
Texas
Houston, Texas

JOHN S. ALDEHOFF & CO.

General Agents for
Texas
Dallas, Texas

W. L. CO.

General Agent for
Texas and
Missouri

Makes Possible a Necessity



Many companies
situation to
inspection
are able to

This service is
the proper
maintaining
curbing the

Here is a
accruing
both is

NOT A WEAK LINK

COBB, M.
STE
General
Colo., W.
Kan.,
Denver,

**DALY GENERAL
AGENCY, INC.**

General Agents for
Colorado, Wyoming
and New Mexico
Denver, Colorado

**WAKEFIELD,
MORLEY & CO.**

General Agents for
Connecticut
Hartford,
Connecticut

**ELLIS &
KRAETSCH CO.**

General Agents for
Iowa
Des Moines,
Iowa

STANDART & MAIN

General Agents for
Colorado, Wyoming and
New Mexico
Denver, Colorado

Necessary and Desirable Service

Companies which otherwise would not be in a position to render an adequate and efficient engineering and service to their most distantly located agents do so through a General Agency connection.

Service is most necessary both to the local agent in procuring of his amounts and to the business in maintaining a high underwriting standard and in the elimination of moral hazard.

It is an advantage of General Agency representation serving both company and agent. The service of which is effected thereby.

(TO BE CONTINUED)

AMERICAN
AGENCY

General Agents for
Oklahoma
Tulsa, Okla.

REYNOLDS BROTHERS

General Agents for
Nebraska, Colorado
and Wyoming
Fremont, Nebraska

J. H. GOOD

General Agent for
Missouri and Kansas
Kansas City,
Missouri

JAS. B. ROSS

General Agent for
Louisiana and Mississippi
New Orleans,
Louisiana

**HARRY S.
KAUFMAN,
LTD.**

General
Agents for
Louisiana
New
Orleans,
Louisiana

**CHAS. R. RILEY
& CO. INC.**

General Agents for
Louisiana and
Mississippi
New Orleans,
Louisiana

**B. DUKE
CROUCH & CO.**

General Agents for
Tennessee
Nashville, Tenn.

**E. J. HEAVNER
& CO.**

General Agents for
Oklahoma
Tulsa, Oklahoma

A. J. LOVE & CO.

General Agents for
Nebraska and Iowa
Omaha, Nebraska

F. G. TUPPER

General Agent for
Louisiana and Mississippi
New Orleans, Louisiana

A. H. TURNER

General Agent for
Va., N. C., S. C., Ga.
Fla., and Ala.
Atlanta, Georgia

**MILLER-
STUDEBAKER
AGENCY**

General Agents for
Kansas
Topeka, Kansas

**KANSAS
UNDERWRITERS**

General Agents for
Missouri,
Kansas and
Oklahoma
Wichita,
Kansas

**BLACK,
ROGERS
& CO.**

General Agents for
Louisiana
New
Orleans,
Louisiana

**SNYDER BROS.
GENERAL
AGENCY**

General Agents for
Kentucky and
Tennessee
Louisville,
Kentucky

**L. MONROE
& SONS**

General Agents for
Louisiana and
Mississippi
New
Orleans,
Louisiana

LINK IN THE CHAIN

1794

1929

**THE INSURANCE COMPANY
OF THE
STATE OF PENNSYLVANIA**
PHILADELPHIA, PA.

Assets	\$7,896,724.12
Increase in 1928	\$808,948.21
Policyholders' Surplus	\$4,131,066.84
Increase in 1928	\$528,106.08

Acquire

THE OLD "STATE OF PENN"

*How The Home Fire and Home Accident Insurance Companies
Help Their Agents Increase Premium Incomes*

I.

**Home Agents Use a Specific
Sales Promotion Plan**

Instead of sending our Agents, from time to time, unsolicited supplies of attractive but useless literature we have reduced our Agency Advertising to a specific sales promotion plan. This very complete advertising service features the Agent's name instead of our own and includes colorful window displays, newspaper advertisements, direct mail letters, movie slides, and a blotter house organ "SAFETY." All of these sales helps are put to work for our Agents in a well organized campaign and feature some particular form of Insurance each month.

That Agents of the Home Fire and Home Accident Insurance Companies appreciate this type of sales promotion help is evidenced by a steady growth of our already large list of Agency representations.

We have excellent opportunities for Agents in Arkansas,
Mississippi, Louisiana, Texas, Oklahoma and Tennessee.

Home Insurance Companies

Home Insurance Building

Little Rock, Arkansas

IN THE MISSOURI VALLEY

STAGE COINSURANCE DEBATE

**Interesting Discussion Before Heart
of America Blue Goose at Kansas
City**

KANSAS CITY, Feb. 6.—A debate on the subject, "Resolved that the coinsurance clause is advantageous to the agent, the assured and to the companies," brought out a crowd of 50 to the weekly luncheon of the Heart of America Blue Goose. Gad O. Smith of the Crum & Forster fleet was chairman. Frank Else of the Boston and John Deiber of the Hartford had the affirmative. Gordon Davis of the Western, and John Battershill of the Firemen's the negative. The debate was lively and interesting and the decision was for the affirmative. The judges were J. H. Good of the Good general agency, Howard Henry of the Great American and C. F. Melton, independent adjuster.

J. E. Livingston, manager of station KMBC of this city, extended the station's broadcasting facilities gratuitously to the Heart of America pond to be used for talks and educational discussions for the benefit of the general public. Arrangements will be made immediately to take advantage of this offer, in the way of fire prevention talks and other informative speeches.

The debate proved so interesting that the committee in charge decided to continue the plan. John Boucher of the Western Adjustment was appointed chairman for next week.

Meade Has Own Bill Killed

TOPEKA, KAN., Feb. 6.—There will not be any state authority granted to loan and investment and trust companies in Kansas to become insurance agents in their corporate capacities. Holmes Meade of Topeka, representative from Shawnee county and one of the best known local agents in the state, took pains to see that the life of the bill ended when it got to the insurance committee, of which he is chairman.

Mr. Meade told the committee he introduced the bill at the request of an agent in Topeka and he had not made any examination of its contents when he offered it. Later he did examine the bill and discovered what it would do to insurance agents generally. He also told the committee he had been informed that most of the companies refused to issue licenses to corporations and insisted upon the representation being by individuals.

"I would like to have some members of the committee move that we make an unfavorable report upon by own measure," said Mr. Meade.

A motion was forthcoming, the committee made its report and the house accepted the report and killed the bill.

Will Inspect Aurora, Mo.

Aurora will be the next town inspected by the Missouri State Fire Prevention Association, Feb. 14. Marion Gardner, secretary of the Chamber of Commerce, will be toastmaster at the evening meeting. Paul Terry of the Missouri Inspection Bureau will talk on rates as they are related to fire prevention. O. D. Cox, state agent of the American, will make the principal fire prevention address.

The association has started a collection of photographs showing conditions in towns inspected. Lantern slides will be made of the pictures and it is planned to show them in connection with the various town inspection programs.

Kansas Field Men Meet

TOPEKA, KAN., Feb. 6.—At the weekly luncheon of the Kansas Blue Goose H. O. McIntosh of the Hanover presided. Among the guests were Senator P. Ratner of Labette county, and Walter Cox of the Braniff general agency of Oklahoma City. Mr. Cox has been appointed Kansas state agent for the companies managed by the Braniff agency. Charles Hack of the Kansas Inspection Bureau gave an address on

"Electricity." B. E. Marsh will preside next Monday. O. D. Butcher of the Hartford Fire will give a talk on "Leasehold Insurance."

Rerating Council Bluffs

SIoux CITY, IA., Feb. 6.—C. D. Arnold, manager, L. R. Huff and A. R. Beach of the Sioux City branch of the Iowa Insurance Service Bureau, spent several days this week inspecting and rating properties in Council Bluffs. Mr. Arnold announces that Pisgah, Ia., in the northern part of Harrison county, has just completed a new waterworks system and the city is being inspected and rated by the bureau, for the purpose of readjusting rates.

Nebraska Fire Marshal's Report

LINCOLN, NEB., Feb. 6.—Fire losses in Nebraska for 1928, says Fire Marshal Trouton in his report to the governor, totaled \$2,061,852 in property. The number of fires was 1,405, of which but 39 were communicated from adjoining buildings. The amount of property involved was \$28,773,000, on which there was insurance of \$11,457,000 and which was damaged to the extent of \$1,306,000. The value of the contents of these buildings was \$11,912,000, on which insurance for \$9,948,000 was carried and which was damaged \$753,836.

Marshal Trouton says that the activities of the department were largely centered last year on fire prevention; that more than 11,000 inspections were made and a still greater number of orders issued. The department caused the demolition of 243 fire trap buildings and the repair of 650 others. Ninety-two suspicious fires were investigated and there were five arrests and three convictions for arson.

Warning on Broker Rule

ST. LOUIS, Feb. 6.—The Fire Underwriters Association of St. Louis, in a bulletin sent to its members, has called attention to the rules governing the placing of business for insurance brokers. The rules of the association provide that members may only transact business with brokers registered with the agency, and if for any reason a solicitor places business outside his agency of registration, such business must be billed through the agency and not to the solicitor.

There is a Missouri law against the paying of commissions to unlicensed insurance brokers. Violation carries punishment ranging from a \$100 fine to one year in jail.

Ryon St. Louis Speaker

ST. LOUIS, Feb. 6.—O. B. Ryon of the National Board legal department delivered an address on "Public Relations" before members of the St. Louis Blue Goose and the Fire Underwriters Association of St. Louis Monday.

The National Board has been conducting an advertising campaign in the St. Louis newspapers and Mr. Ryon's message to the insurance agents and field men was supplemental to the information given the general insuring public in the newspaper columns.

Subject School Board to Assessment

Two bills have been presented to the Missouri house of representatives to permit school boards in towns of less than 70,000 population to insure school buildings and equipment in farmers' mutuals and county mutuals and making the school board liable for any additional assessments levied by such companies for the payment of lawful claims.

Central Kansas Field Club

WICHITA, KAN., Feb. 6.—C. L. Ives, manager of the Wichita office of the Retail Credit, spoke before the regular meeting of the Central Kansas Field Men's Club in Wichita last week. Mr. Ives outlined the growth of the company since its founding 30 years ago, and explained their method of operations and the service rendered in their reports. Several typical reports were sketched briefly to give the members an idea of their value to companies and special agents. Many questions followed his remarks.

Guests at the meeting were E. E. Lake

of Medicine Lodge, Fred Whitton of Topeka, and Fred Phipps of the Rain & Hall Insurance Bureau of Wichita. President Austin Stone presided.

The program next week will be divided between H. W. Tharp of the Kansas Underwriters, who will speak on "Plate Glass Insurance," and C. W. Price of the Kansas Inspection Bureau, who will discuss "Insurance Scholarships."

Discuss Installment Plan

WICHITA, KAN., Feb. 6.—The proposed "installment plan" for collecting automobile premiums was the chief discussion before the regular bi-weekly meeting of the Wichita Insurers last week. Fred Cook, engineer for Crum & Forster, was a guest and addressed the members briefly, suggesting that discussions of the various "side-lines" of insurance be held by the organization at their meetings. President Lee Webb presided.

Kansas Notes

Bids presented for a proposed new water supply for Anthony, Kan., were all rejected by the city officials last week.

The Wichita Bridle & Saddle Club, a large frame structure valued at \$50,000, burned Feb. 1. Only \$10,000 insurance was carried.

Amos Belsley, prominent Kansas agent at Wellington, was called to Peoria, Ill., last week because of the sudden death of his mother.

Frank T. Priest of the Dulaney, Johnson, Yankee & Priest agency, Wichita, was one of five new directors elected by the Wichita Club last week.

Fred Cook, engineer for the Crum & Forster companies, spent several days last week in Wichita and southern Kansas on business for his companies.

Friends of Hugh Davenport, popular Wichita insurance man, with the A. M. Hutton & Son agency, are extending their sympathy because of the recent death of his invalid son.

Ardell N. Booth of the insurance department of the Wheeler-Kelly-Hagney Trust Company at Wichita was married last Saturday to Miss Wilma Harrison of Great Bend, Kan.

Earl F. Woods, with the Wichita office of the Kansas Inspection Bureau, is receiving the sympathy of his many friends because of the death of his mother at Lima, O., last Friday.

J. C. Kelly, vice-president of the Wheeler-Kelly-Hagney Trust Company of Wichita, left last week on a combined business and pleasure trip of several weeks, for San Antonio, Tex., and other southern points.

The school board of Wellington, Kan., has voted to place \$100,000 fire insurance on the new \$250,000 high school.

An attempt had previously been made to place only \$25,000 coverage on the structure but the line was rejected by stock and mutual companies alike.

Iowa Notes

A survey of Fort Dodge, Ia., is being made by George Tatnall and Robert Goodhue, engineers of the National Board.

Dr. G. Ellis, Sr., of Maquoketa, Ia., last week received a Hamilton watch and chain from the Iowa State of Keokuk, in recognition of his service to that company. Dr. Ellis is the only man in the organization representing the company for 50 years.

Missouri Notes

The bank and hardware store at Ionia, Mo., burned Jan. 31 with a total loss. There was \$40,000 insurance.

The high school at Moberly, Mo., burned Feb. 2. Losses were estimated at between 75 and 80 percent. There is \$140,000 of insurance involved.

A fire caused by an over-heated furnace in the basement of St. Stanislaus Catholic Church, St. Louis, Feb. 3 did damage estimated at \$75,000 to the church and an adjoining convent.

Fire last week destroyed four business structures in Novinger, Mo., including the Elsea general store, Howerton's drug store, Sam Halley's barber shop and the offices of Dr. H. T. Garrison, a physician, and Dr. E. E. Trunnell, dentist.

Fire that attacked the Elks Building in Hannibal, Mo., Jan. 31, wrecked the interior of the structure and caused a loss estimated at \$40,000. Smoke and water also caused damage. The Elks carried \$20,000 insurance on the building and \$6,000 on contents. It is not known how the fire originated.

The National Guard Armory at Cape Girardeau, Mo., was destroyed by fire last week. Although 16,000 rounds of ammunition stored in the building exploded no one was injured. The building also housed the Kinders drug store and a confectionery. The total loss was \$50,000 and was but partly covered by insurance.

Minnesota Notes

A \$75,000 fire razed a great portion of the downtown section of Osage, Minn. Among the buildings destroyed was the Phoenix block.

Roderick L. Daniel, engineer for the General Inspection Bureau, discussed fire insurance rates at the weekly luncheon meeting of the Minneapolis Business Men's Association.

The Grand theater block at Faribault, Minn., was completely destroyed by fire, with damage estimated at \$200,000. The fire is believed to have started in the basement of the Opera Annex, a confectionery store. The fire was confined to the one building although adjacent buildings suffered from fire and smoke. Weather 16 degrees below zero handicapped the firemen.

STATES OF THE SOUTHWEST

HAIL CLAIMS EXCESSIVE

General Agents Say Texas Losses Are Out of Proportion to Premiums Received

DALLAS, TEX., Feb. 6.—Reports from a half dozen general agents representing companies writing hail coverage on growing crops in Texas say losses in the state in 1928 are all out of proportion to premiums received for the business written. In fact, some of the companies are seriously considering withdrawing this line of coverage in certain sections of the state, it is said.

One general agent said it takes but a few minutes for a hail storm to practically wipe out a large crop and that the rates are too low.

Agent Not Careful

Discussing the situation another company representative said the rates are about as high as the insuring public will stand, that the companies, in these instances, practically fix their own rates, and that it is not conceivable that business concerns are going to fix a rate which they know will not be sufficient to take care of losses. The trouble is, this company representative said, is that the agent writing the business is not careful enough in selecting risks. That, he declared, does not mean placing hail insurance in sections where hail does not occur, but to deny this year insurance to men who have proven to

be contentious, who have filed claims for more damages than was done by hails and who insisted on collecting through the courts, if the adjusters could not see their side of the loss question.

MURCHISON ELECTED AS ASSISTANT SECRETARY

D. M. Murchison has been appointed assistant secretary of the Prudential Fire of Oklahoma City. Thomas E. Braniff is president. Mr. Murchison has been in charge of the fire underwriting of the Braniff office. The Prudential now has 50 agencies in Oklahoma and will not extend its operations outside of the state for some time. Its stock is owned by a group of wealthy and influential people in various parts of Oklahoma and they have contributed greatly to getting excellent agency connections in their locality.

Republic's Extra Dividend

The Republic of Dallas paid its usual 10 percent dividend and declared an extra dividend of 2 per cent. George W. Jalonick retired from the company's service, retaining, however, his title of chairman of the board. The other officers of the Republic are: I. Jalonick, president; J. B. Adoue, Dallas, vice-president; A. F. Pillet, Dallas, vice-president; Hugh H. Gaffney, Los Angeles, vice-president; E. C. Jalonick, secretary; George R. James, secretary;

Caledonian Insurance Company

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Caledonian-American Insurance Company of New York

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U. S. Manager and President**

**Our Agents
always
get more
than an
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General Accident & Liability Insurance Company, Limited

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1819 110 Years' Continuous Operation 1929

General Fire Assurance Company

OF PARIS, FRANCE

FRED S. JAMES & CO.
U. S. Managers

Head Office

149 William Street - - New York

Western Department

175 W. Jackson Boulevard, Chicago

Pacific Coast Department

108-110 Sansome St., San Francisco

AMERICAN ALLIANCE INSURANCE COMPANY NEW YORK

STATEMENT JANUARY 1, 1928

CAPITAL

\$2,000,000.00

RESERVE FOR ALL OTHER LIABILITIES

2,017,332.55

NET SURPLUS

4,382,692.33

ASSETS

8,400,024.88

SURPLUS FOR THE PROTECTION OF POLICY HOLDERS

\$6,382,692.33

LOSSES PAID POLICY HOLDERS

\$11,776,952.31

WESTERN DEPARTMENT

C. E. STREET, Vice-President

310 South Michigan Avenue, Chicago, Ill.



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JAB

John A. Crawford, assistant secretary; A. P. Hundley, assistant secretary; C. H. Audoire, assistant secretary; I. C. Hagerman, assistant secretary.

Lloyds of Texas Starts

Lloyds of Texas has been licensed and started operations Jan. 22. It is located in Dallas. It will write all kinds of insurance except life and will do a reinsurance business. The Thomas Investment Company, a Texas corporation, with a paid-in-capital of \$1,000,000 is the attorney-in-fact. The directors of the Thomas Investment Company are Mike H. Thomas, J. E. W. Thomas, James P. Thomas, III, Ed L. Thomas, Mike H. Thomas, Jr. and A. Moss Thomas.

Lloyds of Texas at present has assets of \$400,000 and expects to increase its resources through the securing of individual underwriters to \$10,000,000 with the end in view of making it the outstanding organization operating on the Lloyds plan.

T. W. Garrett, formerly of Kansas City, is the underwriting manager.

Porter Returns from Tulsa Firm

J. A. Porter of Pearce, Porter & Martin of Tulsa, Okla., general agents for the Aetna Life and affiliated companies in Oklahoma, has sold his interests to the other two partners in the firm, J. Stewart Pearce and H. L. Martin. The firm will continue to operate under the old name. Mr. Porter will engage in the oil business.

Bar Limitation of Liability

OKLAHOMA CITY, Feb. 6.—A bill introduced in the Oklahoma legislature Monday by Representative Faulk, Marshall county, provides: "No policy or contract of insurance shall be issued and delivered in this state or be issued by any fire insurance company organized under the laws of this state if it contains any provision in which the liability of said company is limited to a percentage of the total amount of the policy or contract."

"Any fire insurance company issuing or delivering policies and contracts of insurance contrary to the provisions of Section 1 (the paragraph above), shall have its license to do business in this state revoked and cancelled by the state insurance commissioner."

Two Texas College Fires

Two bad college fires in Texas resulted in more than \$300,000 loss. Belton College at Belton, Tex., lost one entire building with very valuable contents—pianos and other musical instruments, as well as other equipment—and the Abilene Christian College lost its administration building, valued at \$75,000, on which \$60,000 insurance was carried. The property damage at Belton is placed at well over \$250,000.

Pushing Hose Standardization

AUSTIN, TEX., Feb. 6.—Dallas and Amarillo are among the 21 cities and towns of Texas that have recently completed equipping their fire departments with the national standard hose thread in compliance with the state law. The work of standardization in Dallas and Amarillo was done without assistance from the state and Fire Insurance Commissioner DeWeese, who took occasion to congratulate the officials of the two cities.

Other towns which have been added to the list of cities and towns completing standardization are: Alamo, Carrollton, Donna, Edinburg, Grand Prairie, Harlingen, Irving, La Feria, Lisbon, McAllen, Mercedes, Mesquite, Mission, Pharr, Plano, Richardson, San Juan, Seagoville and Weslaco.

New Texas Rate Schedules

AUSTIN, TEX., Feb. 6.—Specific schedule of rates were mailed this week by Fire Insurance Commissioner DeWeese to the following towns, no changes being made in key rates: Chappel Hill, Chico, Clifton, Hico, Crandall, DeSoto, Madisonville, Melvin, Trumbull, Zephyr.

Texas Bills Reported Out

AUSTIN, TEX., Feb. 6.—The insurance committee of the Texas senate has favor-

ably reported six senate bills affecting insurance companies. The ones of greatest interest are those by Moore, prohibiting Texas insurance companies from doing business in other states without having secured permits from those states, and regulating insurance companies operating under the Lloyds plan.

Commissioners Visit Houston

HOUSTON, TEX., Feb. 6.—J. W. De Weese, state fire insurance commissioner, and W. S. Pope, casualty commissioner, were guests of honor at the regular meeting of the South Texas Blue Goose and the Houston Insurance Exchange. The commissioners came to Houston to get better acquainted with the local insurance situation. They discussed, informally, insurance matters of interest to local fire and casualty insurance men, and in turn heard some discussion of the insurance situation in Houston by members of the local exchange and the Blue Goose.

Texas Notes

Robert N. Bush, 45, of Palestine, Tex., for the past 20 years a local agent in that city, died at his home a few days ago.

The Hotel Walton at Terrell, Tex., and the offices and showroom of the Walton Lumber Company, nearby, sustained damages of \$35,000, partly covered by insurance, from a fire last week.

E. R. Barrow, Tom G. Barrow and Carle Adelman, well known business men, have become connected with the general agency of John L. Wortham & Son of Houston. The three new members are well acquainted with the insurance business.

The Waller, Ray & Ray agency at McKinney, Tex., has been bought by Ray Robert Company, which firm is composed of C. Hansford Ray, Robert L. Ray (former member of the firm) and Thomas E. Craig. This agency has been one of the most prosperous in McKinney for more than ten years.

Oklahoma Notes

St. Paul's Methodist Church, a landmark of Muskogee, Okla., was destroyed by fire last week with loss of \$40,000. The heating plant is supposed to have caused the fire.

SOUTHERN FIELD

WILL FIX DATE FOR MEETING

Executive Committee of Louisiana Insurance Society Will Meet in New Orleans

The executive committee of the Louisiana Insurance Society will meet in New Orleans Feb. 18. The committee will be guests of the New Orleans Insurance Exchange at luncheon at noon. They will hold a meeting in the afternoon to discuss matters pertaining to the state organization and the local exchange. They will at this meeting decide on the dates of the annual convention to be held at Baton Rouge in April. At night the executive committee will be dinner guests of the executive committee of the New Orleans Exchange.

The following officers and commit-

Helpful

Great American
Indemnity Company
New York

Casualty
InsuranceFidelity and
Surety Bonds

teemen will be present: Frank G. McElroy, Shreveport, president; L. A. Williams, Crowley, vice-president; Matt Smith, Baton Rouge; George A. Petrie, Alexandria; E. L. Kidd, Ruston; G. F. Thomas, Natchitoches; Charles Samuels, New Orleans, and A. M. Dreyfus, Shreveport.

The presidents and officers of the different exchanges of the state will also be invited to attend this meeting as well as interested members of the state organization.

A membership campaign will also be launched at this meeting in order to secure the 10 percent increase for the National association.

FAILURE TO FILE PROOF IN 60 DAYS BARS SUIT

Failure to file proof of loss within 60 days as provided in the New York standard policy under which the insurance was written was held sufficient to bar a suit for a loss, in the case of Lamar Harris vs. North British & Mercantile, decided by the circuit court of appeals in a Georgia case. The assured suffered a loss on which he brought suit, but his own petition showed that the proof of loss had not been filed within 60 days. The court held he could not recover.

Would Improve Nashville Protection

NASHVILLE, TENN., Feb. 6.—Nashville will spend \$300,000 to improve its fire department, if bills which have been drafted for presentation to the legislature, authorizing a bond issue for that amount, are passed. The expansion program is due partly to the needs of two new wards that will be added to the city at this session of the general assembly and partly to the heavy fire losses Nashville has suffered in recent years.

Additional fire equipment which will be bought with proceeds from the \$300,000 bond issue will include one 185-foot aerial truck, one 165-foot aerial truck, less a tractor; a city service truck,

five 750-gallon fire engines, three buildings and lots for additional fire companies, a drill tower, fire alarm equipment and a fire alarm building.

This program was recently approved by the board of governors of the Nashville chamber of commerce. W. R. Manier, manager of the chamber of commerce, told the board that its fire committee had received information from insurance companies to the effect that unless this additional equipment is secured, rates in Nashville would be increased materially.

Louisville Fire Hard to Fight

LOUISVILLE, Feb. 6.—A high wind and low temperatures made a mean fire Saturday morning at 120 North Fourth street, in one of the most dangerous blocks in Louisville. The Griffin Decorating Company building was gutted, with a reported loss of about \$75,000 to building and contents. Oscar Farmer & Sons, hay and grain dealers; the Peaslee-Gaulbert Company, and a warehouse of Herman Straus & Sons Company, department store operators, all suffered water damage. The Peaslee-Gaulbert Company had a warehouse containing highly inflammable oils close adjoining the fire, it was reported.

Suspend Kentucky Flue Order

LOUISVILLE, Feb. 6.—Following a series of conferences, the Kentucky Actuarial Bureau, board of safety, state fire marshal's office, the gas appliance interests and city building inspector have agreed to permit continuation of installation of metal gas flues to carry gas fumes from gas appliances, but they must be insulated with asbestos and installed in a safe manner. In the meantime the Louisville Gas & Electric Company has agreed to erect a section or sections of house wall, and make numerous experiments with various types of flues and methods of installing them. The Actuarial Bureau had ruled that it would not permit anything but brick flues to be used.

Ask Aid in Handling Losses

LOUISVILLE, Feb. 6.—The Western Adjustment Louisville office has called in five adjusters from western and northern offices to aid in handling the large number of windstorm and other losses that have developed in the Louisville territory within the past two or three weeks.

Globe & Rutgers Active in Virginia

A wrong interpretation was placed on a recent news item regarding the activities of the Globe & Rutgers in the south by a headline which stated that the company "May Reenter Virginia," when Texas was the state referred to. Not only is the Globe & Rutgers doing business in Virginia at the present time, but it has been active in that state for a number of years.

Resume Virginia Hearing Feb. 21

RICHMOND, VA., Feb. 6.—Another hearing in the Virginia fire rate inquiry being conducted by the state corporation commission will be held Feb. 21-23. The commission fixed these dates at the conclusion of its session last week. The principal witness at that hearing was E. G. McGee, special examiner for the Missouri department. He testified as an expert for the state. When the hearing is resumed, counsel for the companies will cross-examine him at some length. At one stage of the proceedings while he was on the stand, Mr. McGee undertook to read into the records a portion of the record in the Missouri rate case. He was informed that he could not do this; that he would have to tell what he knew and not what the records had to say.

Heavy Losses in Virginia

Four fires in Virginia the past week resulted in property loss estimated at more than \$300,000. Danville, with a fire in its wholesale business section, contributed \$100,000 of that amount. South Boston had a \$115,000 in its business section. Fire gutted a store in the retail shopping district of Richmond causing \$50,000 damage. At Ocean View four resort cottages burned with resultant property loss estimated at \$40,000.

Inspection Reduces Rates

FRANKFORT, KY., Feb. 6.—A report of deputy state auditor filed with the

DETEX



Watchman's
Clocks

Reduce Fire Risks and Rates...

At the Same Time

Your clients will appreciate any recommendation that will lead to rate reductions—and at the same time assure them greater protection.

A Detex Watchclock System often gives clients the benefit of reduced rates; it *always* gives them the assurance of better protection.

80,000 watchclocks, manufactured by the companies that now make up the Detex Watchclock Corporation, are now in service all over the world. **THEY MUST BE RIGHT!**

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ECO CLOCK COMPANY and by purchase of the Harding Patents

Watchman's Clocks

Approved by Underwriter's Laboratories, Inc., and Factory Mutuals Laboratory

Will Be Toastmaster



FRANK H. BROWN
President Louisville Board

Frank H. Brown, president of the Louisville Board of Underwriters, will serve as toastmaster at its Diamond Jubilee banquet, Feb. 15. Many prominent fire insurance executives have already signified their intention of attending and there will be a liberal representation of field men and local agents from throughout surrounding territory.

The Hartford Board, the second oldest board in the country, has officially delegated G. Burgess Fisher as its representative.

Richard R. Williams is vice-president of the Louisville Board and Leo E. Thieman, executive secretary. Smith T. Bailey is chairman of the program committee for the dinner.

The TOKIO

MARINE AND FIRE INSURANCE COMPANY, Limited

United States Fire Branch: 80 John Street, New York

J. A. KELSEY, General Agent GEORGE Z. DAY, Ass't Gen. Agt.

U. S.—Statement December 31, 1927

ASSETS	\$9,771,118.88
PREMIUM RESERVE	2,238,740.65
OTHER LIABILITIES	875,414.78
NET SURPLUS	6,656,963.45

Chicago Branch: 175 West Jackson Blvd.

H. T. Dahl, Jr.
Agency Supervisor

Alfred J. Couch
Manager Brokerage Dept.

A General Agency

contract wanted to write Hail Insurance on growing crops in Texas. Have been doing a successful Hail Insurance Business the past 16 years in Texas.

I now have 100 agents under contract. Will do a guaranteed cash business—on a percentage basis. Prefer to issue all policies and do all adjusting. Will furnish a Bond as a guarantee.

If interested address I-4, care The National Underwriter.

NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL \$2,000,000

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BUSINESS INTERRUPTION INDEMNITY



A Legal Reserve Life Insurance Company

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FOR safety's sake it is good policy to adopt Oakite cleaning materials and methods. Risk-free and thoroughgoing, Oakite cleaning eliminates the hazards accompanying the use of combustible materials;

penetrates to every oil-soaked crack and corner; removes every trace of danger-breeding slipperiness from floors. Inform yourself on Safe Oakite cleaning methods. Booklets filled with facts on industrial cleaning methods sent on request.

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OAKITE

Industrial Cleaning Materials and Methods

city commissioners of Owensboro, Ky., informed Fire Chief Cureton that an inspection of 957 risks in Owensboro by state fire risk inspectors recently paid for the inspection. It resulted in a reduction in the premium charges averaging 3.02 percent, a saving of \$8,000 to the property owners of that city.

Florida Agents' Officials Meet

About 25 agents of the Palm Beach territory met Saturday at Cocoa, Fla., to plan for the state meeting in the spring and hear Charles H. Doscher of the National association on the importance of local boards and other matters of importance promoted by the national organization.

O. Earl Freeman of Daytona Beach, president of the Florida Local Underwriters Association, presided. Vice-president Quinlan Adams of Orlando was present, with the following members of the executive committee: B. D. Cole, West Palm Beach; Finley Cannon, Gainesville, and John R. Wright, Lakeland. Roy Perry of the Tampa board was another one prominent in the business on hand.

A resolution by B. D. Cole to put the state association on record as opposed to installment selling of insurance was opposed by Mr. Wright and others, it being held that this meeting had no right to fix any policy for the state association. The motion was amended to set out that it was the sense of the meeting that this plan be disapproved, which was passed. It was very evident that the meeting as a whole was opposed to this new plan of merchandising insurance.

Kentucky Notes

The Kentucky Fire Prevention Association inspected Lebanon, Jan. 30. Talks were made before the schools and elsewhere.

Miss Olivia Rogers Pragoff, daughter

of Emile Pragoff of J. L. Danforth & Co., Louisville local agents, and the Rev. Edward Felix Kloman of New York and Virginia were married Feb. 5, at Louisville.

The Owsley county courthouse was destroyed at Booneville, Ky., last week causing a property loss of \$10,000. All the county records with the exception of the tax books were burned at a loss of \$75,000.

Ben P. Gray has joined the staff of J. H. Harrison, independent adjuster of Louisville. Mr. Gray for a number of years was with the Southern Adjustment and later with the Western Adjustment and had several years of field work in Kentucky.

James E. Chittenden, state agent in Kentucky for the Philadelphia Fire & Marine Insurance Co., who suffered a leg injury when lightly struck by an automobile early in January, has been having a lot of trouble with the leg, which has kept him city bound.

Fire early Feb. 2 at Henderson, Ky., is reported to have caused loss of \$25,000 in the old Rash Brothers tobacco factory. Four residences, the gas plant, the residence of the superintendent and the Charles F. Argue tobacco factory were damaged. Inadequate supply of water was reported on account of frozen plugs, and engines pumped from the Ohio river.

Florida Notes

Salley & Rodgers at Clearwater, Fla., have dissolved partnership, Mr. Rodgers purchasing the interest of Mr. Salley.

Preston T. Kelsey, former United States manager of the Sun, is touring Florida with his wife, making his headquarters at Babson Park.

Jos. M. Dier, formerly chief clerk in the office of Fred S. James & Co. at Chicago, Ill., is now manager of the insurance department of the Beckett Realty Company at Tarpon Springs, Fla.

The agency of Chestnut & Hendrix at Clearwater, Fla., has dissolved partnership, Mr. Chestnut taking a position with the Guaranty Title & Trust Co. Mr. Hendrix will continue in the insurance and real estate business.

COAST AND MOUNTAIN FIELD

FEWER EARTHQUAKE SHOCKS

Professor Hodge Says Information Can Aid Underwriters in Determining Equitable Rates

SAN FRANCISCO, Feb. 6.—Edwin T. Hodge of the geology department of the University of Oregon spoke to the Fire Underwriters Association of the Pacific on "Earthquake Risks of the North Pacific Coast." The number of earthquake shocks recorded in California has been decreasing. From 1769 to 1896, 1,127 shocks occurred, or 88 per year; in the period of 1897-1906 the total was 700 or 77 per year; and in the last period of 1912-1928 the total was 374 or 23 per year. The number per year has been steadily decreasing despite the increased number of observers and the larger instruments for the detection of minor shocks in use.

Accurate Records Difficult

Professor Hodge said that it is difficult to get accurate historic records because many earthquakes occur in distant regions where the population is sparse and consequently no record is made. In Washington the number of shocks reported have decreased from two per year to less than one per year. The evidence of California and Washington thus indicates that the frequency is decreasing. Professor Hodge raised the question of whether this is a lull or the fading out of the earthquake hazard?

Professor Hodge presented figures summarizing the number of shocks in each of the seismographic districts along the Pacific Coast and California to Unalaska for a period of years. He also classified the shocks, destructive and nondestructive.

Can Determine Equitable Rates

Professor Hodge discussed the causes of earthquakes and the history of them in detail. He said that although man is not able to prevent the shocks of great earthquakes it should be possible, by

scientific investigation of the various regions concerned to predict their occurrences. He said that by gathering details and statistics the underwriters may be guided in setting rates that will encourage business without at the same time endangering the financial stability of the insurance company. He said that the essential need at the present time is an organization that will gather together all the essential facts, correlate them and work out a practical set of rules by which the time, intensity and character of future earthquakes may be determined.

Reconsider Licensing Bill

SALT LAKE CITY, UTAH, Feb. 6.—The Hammond measure in the Utah legislature designated to provide for licensing of insurance brokers was reported back by the committee with a recommendation that the enacting clause be stricken, but at the earnest request of the author, the bill was recommitted for amendment.

Add to Fire Equipment

LOS ANGELES, Feb. 6.—The fire commission of Los Angeles recently approved bids for the largest purchase of fire-fighting equipment since 1923. Total of the bids, including allowances on old apparatus to be turned in, was \$169,791. The new apparatus will go toward replacing older equipment and adding to that in new stations and for equipping six new stations now under construction.

Must Show Policy Assessable

SALEM, ORE., Feb. 6.—A bill introduced in the house and senate committees on insurance provides that all mutual insurance companies and inter-insurance associations shall state plainly in the body of their policies the exact extent of the policyholders' assessment liability thereunder and shall have displayed on the policy the words, "This policy is assessable."

Protest Grand Junction Rates

DENVER, COLO., Feb. 6.—Business men of Grand Junction, Colo., have filed a protest on present rates with the Mountain States Inspection Bureau. They assert that citizens of Grand Junction

have been called upon to pay \$50,000 annually for fire insurance, while the average losses have been less than \$5,000. They declare that unless lower rates are granted, a local insurance company will be started to carry the insurance. City Manager Ed Thompson is backing the movement.

Need Larger Mains

DENVER, COLO., Feb. 6.—John F. Healy, fire chief, and William J. Martin, captain of the fire prevention bureau of Denver, have called the attention of the board of commissioners of Denver's water system to the fact that there must be larger mains in certain sections of the downtown district, because in some cases the main feeders to standpipes are smaller than the standpipe and are of little avail in case of a fire of any consequence.

Mulcahey With Crum & Forster

SAN FRANCISCO, Feb. 6.—George Mulcahey, superintendent of agencies for the National Liberty here for the past three years, has taken charge of California underwriting for Crum & Forster.

Pacific Northwest Field Changes

Hugh S. Coburn, special agent for the National Liberty in Utah and eastern Idaho, has been transferred to the northern California territory.

W. C. Myers, Utah and southern Idaho special agent for the America Fore group, has resigned to enter local agency work at Pocatello, Idaho.

Pioneer Denver Insurance Man Dies

DENVER, COLO., Feb. 6.—George L. Sherrick, 68, pioneer Denver insurance man, died here last week. Mr. Sherrick came to Denver in 1889 from Cincinnati. He was at one time connected with the Commercial Union Fire, but of late years has been with Braerton & Forsyth general agency.

Colorado Notes

The Fidelity American of Houston, Tex., has been licensed in Colorado.

The Miller-West Agency, Denver, announces the appointment of Frank England, Jr., as manager of its fire and casualty department.

T. R. Foley, Denver insurance man, while driving his car in Canon City, Colo., collided with a telephone pole. Mr. Foley sustained a broken nose and other injuries.

The Wilson-Greech Insurance Agency, Denver, has been incorporated by A. D. Wilson, C. B. Greech and M. E. Ryan. The capitalization is 25,000 shares no par value.

John L. Norton, Denver insurance man, died after a heart attack, Jan. 31. Mr. Norton went to Denver from Topeka, Kan., about six years ago and founded the Commonwealth Building & Loan Association, leaving that organization to engage in the insurance business. He was preparing to organize a new company when death came. He was 50 years of age.

Coast Notes

H. J. Maginnity, formerly secretary of the San Francisco Insurance Brokers Exchange and recently a member of the firm of Hyams, Mayer & Maginnity, died last week of pneumonia.

NEWS FROM EASTERN FIELD

BIG OFFICIALS AT BANQUET

Commissioner Taggart Outlines Plans for the Future at Insurance Club Dinner at Pittsburgh

The third annual dinner of the Insurance Club of Pittsburgh was attended by approximately 650 guests, including an unusual number of home office officials. The honor guests included:

C. Weston Bailey, president American of Newark; P. W. Clark, assistant secretary North America; J. G. Derby, secretary Continental; A. S. Galland, president Pennsylvania Association of Insurance Agents, Wilkes-Barre; R. H. Goodwin, assistant manager Fireman's Fund; Percy Ling, deputy United States manager North British; J. J. Moriarity, vice-president Missouri State Life; C. A. Nottingham, assistant manager Liverpool & London & Globe; T. D. Olmsted, assistant secretary Automobile; A. Duncan Reid, president Globe Indemnity; H. G. Scott, vice-president and secretary Reliance Life; Kenneth Spencer, vice-president Globe Indemnity; Hillsman Taylor, president Missouri State Life; W. M. Tomlins, Jr., vice-president American Surety; Joseph W. Ward, president Pennsylvania Surety; Sewell C. Weech, assistant secretary and director of agents New Amsterdam Casualty; L. L. Wiltbank, general agent California Insurance; John G. Yost, assistant secretary Fidelity & Deposit.

Commissioner Taggart Is Speaker

President John C. McCarthy called the meeting to order, and after a short speech of welcome turned the proceeding over to Royal S. Goldsberry, toastmaster.

Matthew H. Taggart, insurance commissioner of Pennsylvania, spoke on "Pennsylvania's Insurance Problems." He explained briefly some of the activities of the department since his appointment and also outlined some of the progressive plans he had in view for the future. He touched on the subject of banks in the insurance business, emphasizing the fact that the insurance business is big enough to be a business of its own and need not be a part of any other business be it banking or otherwise.

Colonel Taggart admonished home office officials to be careful about the nature of their investments, in view of the recent manipulation in the stock market.

A. Duncan Reid, president Globe Indemnity, spoke on "The Company Viewpoint." Mr. Reid emphasized the necessity of insurance agents knowing the insurance business and pointed out that approximately only 25 percent of the automobiles in operation are insured.

Charles H. Bokman, secretary-treasurer of the Insurance Club, presented the two past presidents, Francis S. Guthrie and A. E. McCloskey, with desk clocks from the membership of the Insurance Club of Pittsburgh in appreciation of the work these two men have done in establishing the organization.

C. Weston Bailey, president of the American of Newark, gave a short address expressing his pleasure at having been invited to the dinner and stated that gatherings of this sort have a general beneficial influence on the insurance business.

Officials Change Attitude

PHILADELPHIA, Feb. 6.—The opposition to Commissioner Taggart's proposed plan to have the legislature enact a bill combining the four present rating bureaus into one central bureau modeled after the New York law which was very strong when the suggestion was first voiced now seems to have turned in favor of the proposed measure.

Company officials who several weeks ago were opposing the move are now heartily in favor of it. They believe that it is something that is needed and that no one should have to go to four separate boards when one board could very well do the work. The four boards that would be amalgamated in the proposed bill are the Philadelphia Fire Underwriters Association, the Middle Department, the Allegheny County Board and the Philadelphia Suburban Underwriters.

To Try to Correct Conditions

At the January meeting of the Albany Field Club, Albany, N. Y., it was proposed that the organization take active steps in the near future to correct undesirable conditions in eastern New York state, where for many years the companies have shown a general underwriting loss. The plan calls for appointment of field committees to cooperate with local boards and fire departments as well as the state rating organization and the National Board to eliminate undesirable and hazardous conditions.

A committee composed of the following was appointed to investigate the plan: LeRoy T. Brown, Continental, chairman; John W. Summers, Home of New York; John I. Mosher, Commercial Union; H. B. Nugent, Aetna; E. A. Merkl, Pennsylvania.

New Trial Is Granted

Held that dismissal of the complaint was error. There being testimony from which the jury might infer lack of diligence on part of defendant's agent, there was also testimony sufficient to support a recovery. If certain items in the proofs of loss presented by insured to insurer and upon which the loss was adjusted were largely overvalued, prima facie the plaintiff suffered injury. If in fact the adjusted loss did not exceed the fire loss because of under valuation of other items, the burden was on defend-

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Chicago, Illinois

GEORGE O. SMITH - Manager
SAN FRANCISCO

ant to show that fact. New trial granted. —Globe & Rutgers Fire vs. General Adjustment Bureau, Court. of Appeals, N. Y.

Rate Reduction in Connecticut

HARTFORD, Feb. 6.—Owners of one and two-family houses and one-story private garages in Connecticut will benefit by the material reduction in fire insurance rates announced by the New England Insurance Exchange.

All structures of the foregoing nature in Hartford, and their contents, which are protected by stock insurance companies, have had their rates lowered 5 cents per \$100. The same reduction is in effect for such properties within the fire districts of East Hartford, West Hartford and Wethersfield.

In such structures, all over the state, which are considered semi-protected, the exchange has allowed a 10 cent reduction. The decrease in rate for buildings of these types which have no protection, is 12 cents per \$100. Policyholders whose property is affected by this reduction are entitled to an adjustment of premium as of Jan. 14.

The decrease was decided upon by the exchange because of the "good experience" fire insurance companies have had in Connecticut. To date this state is the only one in New England to be given such a reduction.

Would Require Standard Hose

BALTIMORE, Feb. 6.—The interchange of fire apparatus between municipalities of the state to aid in large conflagrations would be facilitated under a bill introduced in the state assembly providing for standard hose and fire hydrant connections.

The measure has the backing of officials of the Maryland State Volunteer Firemen's Association. It would end the trouble experienced when apparatus having one type of connection is sent to the aid of a city using a different thread on its apparatus and fire hydrants.

Under the measure, no person, firm, corporation or association could sell or offer for sale in the state any fire hose,

hydrant, fire engine or other equipment unless they were fitted with couplings and fittings having 7½ threads to the inch, which is designated as the "national standard."

Enter General Agency Field

BOSTON, Feb. 6.—Leslie E. Knox, for the past three years secretary of the L. W. Kingman Company, and Rudolph Whitlegg, also associated with the same firm, will enter the general agency field to represent the Mercury Fire, one of the St. Paul group. They will be located at 112 Water street, Boston, and will be associated with the firm of O'Brien, Russell & Co. at that address.

Mr. Knox is president of the Insurance Society of Massachusetts and is very prominent in insurance circles here, where he enjoys a fine reputation. Mr. Whitlegg is a thoroughly experienced insurance man.

Maryland Rate Fixing Bill

BALTIMORE, Feb. 6.—The real estate board of Baltimore will introduce a bill at the present session of the legislature giving the insurance commissioner power to fix insurance rates on dwelling houses and other property in this city.

At the last session of the legislature a similar bill was introduced and pressed by the real estate board. At that time local insurance companies and other interests made a hot fight against the bill in committee, and finally succeeded in getting it killed.

Eastern Notes

The Jefferson Fire has been licensed in the District of Columbia.

The Germanic Fire of New York has been admitted to Maryland.

A \$75,000 fire destroyed the business section of Fort Jackson, N. Y., last week.

Fire caused \$50,000 damage to the L. A. Fisher box factory at Buffalo. Two alarms were sounded and special calls were made for other apparatus to check the blaze, which was in a congested railroad and factory area of the city.

IN THE CANADIAN FIELD

HAIL RATES ARE READJUSTED

Canadian Association Holds Annual Meeting in Montreal—Wilson President for Coming Year

MONTREAL, Feb. 6.—At the annual meeting of the Canadian Hail Underwriters Association, held in Montreal, substantial increases in hail insurance rates in Alberta and parts of Saskatchewan were decided upon. Details of the increases remain to be worked out. It is understood, however, that the increase in rates in Alberta will be confined mainly to the south. The increase is 5 percent. Reductions will be put in force in many parts of central and northern Saskatchewan. Manitoba is not affected. The new costs, it is asserted, are not based on the excessive damage through hail the past two years, but on an average for the last 15 or 16 years' operations.

Forty-two delegates representing hail insurance companies in Canada, with some members from Chicago and New York, attended the meeting. The decision to raise rates followed study of a report of a committee of experts, who found that over a period of 15 years losses have been so heavy that hail underwriting has been far from profitable.

Another matter taken up was that of underwriting business received over the telephone or telegraph. It was decided to draw up an agreement by which the companies would refuse in future to take business of this nature.

The following officers were elected: President, John Wilson, Winnipeg; vice-president, W. J. Snaddon, Calgary; executive committee members: W. H. Hurd, Winnipeg; A. K. Olive, Regina, and George F. Mitchell, Winnipeg. H. H. Campkin of Regina was reelected secretary-treasurer.

EXTEND AUTO RATE RAISES

Increases Announced in Three Western Provinces of Canada and in Nova Scotia

TORONTO, Feb. 6.—Following the adoption of higher rates by the Canadian Automobile Underwriters Association, a similar step has been taken by the Automobile branch of the Western Canada Insurance Underwriters' Association, and also by the underwriters' organization in Nova Scotia. The jurisdiction of the Canadian Fire Underwriters Association extends over Ontario and Quebec, while the western body covers the three provinces of Manitoba, Saskatchewan and Alberta.

The increase for the western provinces is 50 percent for public liability and property damage, and averages 27 percent for all classes of automobile insurance. The increase for collision is from 24 to 30 percent according to type of car. There is no increase in fire and theft rates.

The advance in Nova Scotia appears to be smaller, the new cost for a light car being \$25.60 compared with \$23.53 formerly.

Even at the increased rates, the cost of automobile insurance in Winnipeg is more than 40 percent less than that in Minneapolis and St. Paul. There will be no limitation in the broad cover granted by the present standard policy form, although a restricted coverage in public liability and collision was advocated and met with support. The highly competitive conditions obtaining in the automobile insurance market in the past few years brought down the premium level far below the lowest cost. As an example, the public liability section of the business in Manitoba on the losses incurred during 1927 should have car-



ried an average premium of \$16.74, whereas the actual average premium charged by the associated members in 1928 was \$11.59.

The Ontario government plans to make a thorough investigation into the increase. As its insurance superintendent has not the power to examine the companies' books in any such inquiry, a royal commission is to be appointed.

Dominion Licenses Issued

OTTAWA, Feb. 6.—The following licenses have been issued by the Department of Insurance:

Hudson Bay, Montreal, to write steam boiler insurance in addition to the classes for which it is already licensed.

General Casualty of America, to write automobile insurance, excluding insurance against loss or damage by fire, and plate glass insurance. C. A. Manlove, Vancouver, has been appointed chief agent for Canada.

Employers Reinsurance, to write accident, liability and property damage insurance, insurance against liability for loss or damage to property caused by an automobile, by horses or by any vehicle drawn by animal power. A. E. Dawson, Toronto, is chief agent for Canada.

Canada National Reduces Capital

WINNIPEG, Feb. 6.—At the annual meeting of the Canada National Fire of Winnipeg further progress in the affairs of the company was noted. A feature of the meeting was the passing of a resolution reducing the paid-up capital of the company from \$1,894,008 to \$1,025,200. The company's business during the year showed a substantial increase and a fund of \$200,000 built up in cash and bonds.

Rates in Manitoba, Saskatchewan and Alberta were increased on the average

27 percent. In two particular classes, public liability and property damage, the rates are raised 50 percent.

Canadian Losses Compared

According to the "Monetary Times," fire losses in Canada for the week ending Jan. 23 are estimated at \$533,000, as compared with \$253,000 for the corresponding week of 1928. From Jan. 1 to 23 losses are estimated at \$1,297,400, as compared with \$1,401,100 from Jan. 1 to 25, 1928.

Canadian Notes

The Gordon Indian school, seven miles from Punnichy, Sask., was destroyed by fire last month with a loss estimated at between \$175,000 and \$200,000.

A disastrous fire occurred at Melville, Sask., on Jan. 28, when the Canadian National Railway car shops were completely destroyed. The origin of the fire is unknown. The estimated damage is \$70,000. Seventeen cars were destroyed.

More than \$200,000 damage was caused to the buildings and stock of the Lafrance Plushes, Ltd., by a fire at Woodstock, Ont. The firemen were forced to work all night before the fire was extinguished. The cause of the fire is as yet undetermined.

Fire breaking out in the storage sheds of the Barrett Company plant on the Fraser river in British Columbia, caused a loss of about \$50,000. Before sufficient water could be secured, firemen had to thaw out hydrants. Heavy stocks of roofing material were destroyed.

In a fire at Lloydminster, Sask., seven establishments were wiped out, the Empress Theater, a candy store, a lady's wear store, a bakery, a rooming house, a meat store and a grocery store. Firemen were hindered in fighting the fire by 30 below zero weather, and at a critical time, when the fire was almost under control, the fire engine froze up, and the water supply became low. Loss was estimated at \$50,000.

MOTOR INSURANCE NEWS

STEAL ONE OUT OF 35 AUTOS

St. Louis Statistics Compiled—Total for 11 Years Amounts to \$3,771,700

ST. LOUIS, Feb. 6.—St. Louisans in the past 11 years have been robbed of automobiles valued at \$3,771,700, according to statistics compiled by automobile insurance underwriters.

In 1928 one out of every 35 automobiles on the streets of St. Louis was stolen. The passenger car registration in the city was 157,275, while the number of cars stolen was 5,214.

Of the cars stolen, insurance company investigators and the police later recovered 4,695, while 519 are still unaccounted for.

During the 11-year period beginning with 1918, 30,452 automobiles were stolen in St. Louis, while 25,454 were recovered.

Computations made by the insurance companies show that recovery of a stolen car costs an average of \$50 for towing and repairs, making the total expense on all the machines recovered \$1,272,700. The cars still missing had an average value of \$500, totaling \$2,499,000.

Universal Automobile's Figures

The Universal Automobile of Dallas in its annual statement shows assets \$1,534,364, premium reserve \$569,321, capital \$500,000, net surplus \$347,389. This company writes full cover automobile insurance and has extended its operations materially during the year. It is well ballasted financially. R. A. Belknap of Dallas is active vice-president and secretary.

Fort Dearborn's Figures

The annual statement of the Fort Dearborn of Chicago shows assets \$341,748, capital \$200,000, premiums reserve \$78,276, net surplus \$43,916, surplus to

policyholders \$243,916. It writes complete automobile coverage in one policy.

Universal Opens St. Louis Office

In order to render specialized service to agents in St. Louis, the Universal Automobile has established a branch office in that city at 422 Planters building with W. B. Plummer, Jr., as manager. Mr. Plummer has been connected with large casualty companies as a special agent in the St. Louis field.

New Building for Republic Auto

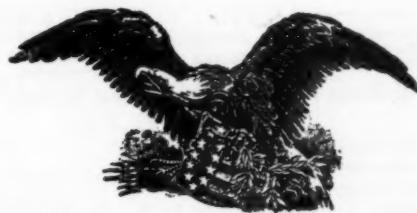
DETROIT, Feb. 6.—The Republic Automobile of Detroit has started work on its new two-story fireproof building, which is being erected in the rear of its present home office building. It will be ready for occupancy March 15 and will house the accounting, claim and file departments. The executive offices will remain in the old section.

The company broadcasts a program of news flashes each night at 11 p. m. through station WJR, Detroit. The first night of its broadcasting the company offered to send to the first 500 people who would write in to it a leather card

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have sold that last Accident and Health Prospect if you had read last month's

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January 1, 1929	
U. S. Gov't Bonds (Par value).....	\$ 345,000.00
Real Estate (Book value).....	26,000.00
Cash	17,088.92
Deposit Notes, Net.....	\$ 388,088.92
	2,436,642.16
Total Assets	\$2,824,731.08
Quick assets (Market value).....	\$ 429,743.53
Liabilities	NONE
No losses adjusted and unpaid.	
No other liabilities.	
Total income for 1928.....	\$ 121,827.33
Total losses and expense 1928.....	99,440.75
Net gain	\$ 22,386.58
Losses paid since organization.....	\$2,490,500.45

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Surplus to Policyholders \$1,018,276.02

Total Admitted Assets \$1,825,884.58

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case with the name of the writer stamped in gold. Letters were received by the hundreds from all parts of the country and are continuing to come in each day.

The company is a staunch believer in advertising and has popularized itself especially in its home city through its electric lighted signboard in front of its home office, which carries each week a new line of humor for the benefit of the automobile drivers of Detroit.

Nashville Club Case Continued

NASHVILLE, TENN., Feb. 6.—The scrap among members of the Nashville Automobile Club over the issuance of cut-rate insurance to members has been taken from the Davidson county chancery court, the judges in both parts of the court having been disqualified because they belonged to the club.

A hearing was to have been held last week but the case has been continued and will be heard by Chancellor Stewart of Winchester.

The "antis" secured a temporary injunction against the administration forces to keep them from electing officers and asked the court for a construction of the by-laws.

Will Test Club's Power

Action to test whether the city of Hannibal, Mo., can collect a license fee from the Automobile Club of Missouri for writing insurance has been inaugurated in behalf of the city collector against J. M. Skye, manager of the Hannibal division of the Missouri club and the inter-insurance exchange of the club. Since the case is for the purpose of testing the powers of an inter-insurer it probably will be continued into the higher courts if that becomes necessary.

Plan New St. Louis Auto Club

ST. LOUIS, Feb. 6.—From a very reliable source it has been learned that a new automobile club is to be formed in St. Louis and elsewhere in Missouri to compete with the Automobile Club of Missouri, which several months ago entered the insurance business by forming an inter-insurance exchange to place insurance on automobiles owned by members of the club.

It is understood that the application for a charter will be forwarded to Jefferson City by the new organization within the next few days. It is said

that one of the cardinal rules of the new club will prohibit any of its officers, employees or executive board members from entering the insurance business. Similar restrictions will be placed on other lines of business, such as the sale of automobiles, accessories, oils, gasoline, tires, etc., so as to prevent the club from being used as an auxiliary for any business enterprise. The new club will also protect motorists from wild cat "service associations" and similar bodies.

Motorists Casualty of Newark Starts

NEWARK, Feb. 6.—Authority to begin business has been granted by the New Jersey department to the Motorists Casualty of this city, which starts with a capital of \$150,000 and a surplus of \$75,000. It will confine its writings to automobile insurance. Harry Green is president of the corporation; George M. Demarest, vice-president and manager, and I. L. Katchen, secretary. Mr. Demarest was at one time connected with the North British & Mercantile, later with the Underwriters Bureau of the Middle & Southern States and more recently with the State of Pennsylvania. The plan of the Motorists Casualty is to deal directly with assureds, eliminating the intervention of either agents or brokers.

Increases Premium Volume

LOS ANGELES, Feb. 6.—During 1928 the National Automobile of Los Angeles, which handles automobile dealers' business largely, wrote a net volume of \$1,268,551, which compares with \$955,453 in 1927. As of Jan. 1 the company had a capital of \$215,000 and a net surplus of \$301,445. In addition to automobile lines the company also writes considerable surety business. At the annual meeting held last week Marc Ryan was added to the board of directors and all of the company's officers were reelected, headed by John Q. McClure, president.

Baltimore's Theft Record

BALTIMORE, Feb. 6.—In 1928 there were 2,692 automobiles stolen in Baltimore, according to the records of the police department, compared with 2,949 for the preceding year.

A slight increase in the number of unrecovered cars was noted. Last year's records show that 79 cars are still missing, while at the end of 1927 only 66 were missing.

MARINE INSURANCE NEWS

PLANE THEFTS REPORTED

That Angle of Aviation Insurance Not Wholly Profitable—When Does Theft Coverage Apply

One would naturally suppose that thefts of airplanes would be very, very rare and that this coverage would prove a big money maker to the companies. But the records of the companies show otherwise.

It is true that the number of stolen planes has been small, but the amount in damages has made this line far from being exceedingly profitable. It has also raised the question of when is a theft not a theft and there is a possibility that this point will soon be settled in the courts.

Some Aviation Theft Cases

Here are a number of aviation thefts in which this point has been raised:

1. A friend of the assured took the plane up, went into a tail spin and crashed. The company involved didn't feel that this constituted a theft and denied liability. The claim is now in the courts.
2. A student in a flying school broke into the hangar, took out a plane, went for a "joy ride" and wrecked the ship in attempting to land in the dark on an unlighted field. The company felt that this also was not a theft but compromised for \$650 to avoid suit.
3. Owner in Kansas sold his plane to man in Denver. Purchaser financed through a loan shark. Unable to fly

the machine, he hired pilot of original owner. New owner and pilot had an argument, pilot took plane back to Kansas. Here, too, the company felt there was no liability but compromised \$1,000 claim for \$200.

4. A man supposed to be a motor mechanic in Wichita, Kan., in effort to escape ridicule of friends that he was unable to fly plane, took one out of a hangar and flew it without lights over city in dark. He narrowly escaped several collisions with mail plane. A claim is now being made for \$200 damages.

Welk With Corroon & Reynolds

A new accession to the staff of Corroon & Reynolds of New York City is Charles Welk, who has been appointed general agent of the inland marine and side-lines department. He is experienced in this phase of underwriting, having been connected with the inland marine branch of the Automobile at Hartford, later handling the department for the New York city agency of Ogden & Fay.

Heavy Loss to Ship

PORT COLBORNE, ONT., Feb. 6.—Fire caused heavy loss to the Steamer Barryton of the Matthews Steamship Company, anchored at the Canadian Furnace dock here for the winter. The rear portion of the ship was gutted by the blaze, which was said to have been caused by an overheated stove in the ship keeper's cabin. Port Colborne firemen had difficulty extinguishing the blaze on account of zero weather and difficulty in getting lines to the big carrier.

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A & H REVIEW

SALES IDEAS AND SUGGESTIONS

Helpful Hints for Fire and Casualty Insurance Producers

Parcel Post and Registered Mail Cover Offered by Insurance Companies More Complete Than Government's Protection

BY O. W. PARKER
Special Agent Norwich Union

[The following is part of an address given by Mr. Parker at the meeting of the Fire Underwriters Association of the Pacific this week in San Francisco.]

THE growth of parcel post with all the opportunities for loss, breakage and non-arrival due to various causes, has led to the development of this form of insurance. Insurance companies have arranged a very liberal "all risk" form of policy which is issued under two forms, i. e., the "certificate" method and the "reporting" form. Both are identical so far as coverage is concerned, the difference being in the method of effecting coverage.

Under the certificate plan a policy is issued with a book of 100, 200, 400 or 500 certificates attached. To insure thereunder, the name and address of consignee, kind and value of article, date and class of mail by which shipped, is entered on the certificate stub and the coupon or coupons detached for inclosure with the package or invoice. Rates for this form are 4 or 5 cents per certificate, depending upon the issuing company.

Form Desirable for Average Shipper

Owing to its simplicity and convenience, this form is the most desirable for the average shipper.

Under the "reporting" form an open policy is issued with supplemental monthly reporting forms. The shipper reports monthly the detail of each shipment, giving the same data as is recorded on the certificate stub. Monthly premiums are ascertained by the total invoice value of merchandise shipped at a rate usually varying from 25 to 40 cents, depending upon the susceptibility of the goods shipped. Some companies require an annual deposit premium of \$100, while others place a minimum monthly premium of at least \$5.

Only Economical for Large Shipper

From the foregoing it can be readily seen that this form can only be economically adapted to the larger shipper.

Both forms cover packages in transit by registered or unregistered mail, or by ordinary or government insured parcel post addressed to any post office within the United States and/or Dominion of Canada, and both United States and Canadian Alaska against loss or damage in whole or part of contents of same by fire, theft, breakage or from any other cause whatsoever, while the said parcel is in the mail or in the custody of the post office department for transmission to any post office within the above countries.

Company Insurance Lower for Small Values

The Post Office Department maintains a system of insurance which offers practically the same coverage as the companies.

A comparison of the government and company methods brings forth not only interesting but valuable information. In the first place, the cost of company insurance is lower, particularly the values under \$25.

In the matter of effecting coverage: Under the government plan a separate receipt must be obtained covering each package, which means considerable time spent waiting in line usually at the busiest time of day. Also, a separate shipping record must be kept.

Under either company method the stub book or monthly reporting form becomes a concise and permanent record of shipments. The shipper effects coverage on his own premises, thus avoiding waste of time and cost of messenger at the post office. The company plan is cheaper, is more convenient, and entails less clerical detail.

Settlements by Companies Simpler to Make

In the settlement of claims the companies have a decided advantage. With government insurance complicated proofs must be submitted. By the time they pass the routine, considerable delay is occasioned before payment is made. The companies use a simple form of proof and payment is usually made upon presentation.

All lines of business are becoming more competitive. Manufacturers, wholesalers, jobbers, and retailers are continually striving to broaden their operations. Parcel post has contributed considerably towards this end. As a result, they are all logical prospects for this insurance.

Line Has No Parallel As Entree in Soliciting

To the average agent or broker, the gross profit on the sale of one coupon book looks negligible. But stop and realize the ultimate possibilities. The companies have provided forms of coverage which should meet with little or no competition. Their simplicity, lack of detail, and promptness of loss payment, cannot help but prove attractive. This is a form of insurance service that all policyholders appreciate. As an entree, this line has no parallel. Its service facilities cannot help but build good will. This kind of good will ever bring other lines to your office.

Registered Mail Subject to Much Loss

For many years past the postoffice department has operated a system for the registration of valuable mail. For an additional fee this mail received special attention to the end that a great number of the possibilities of loss were eliminated. Even with all possible precautions, this mail has been subject to enormous losses. It has always been the target of highwaymen, and is also subjected to the perils of transportation and nondelivery.

The amount recoverable from the postoffice department is limited to the value of packet according to the fee collected and in no case is its liability greater than \$1,000. This increased amount recoverable was just recently adopted.

With government insurance obtainable only for limited amounts, insurance companies were prompted to provide complete protection for this type of mail. Policies issued are of the "open" variety with underlying certificate books for the reporting of each individual packet shipped. At the time of registration at the post office the assured fills out a reporting certificate giving the following data: Name and address of consignee, nature and value of contents, and registration number. Report is then mailed to company. At the end of each month the company renders statement of premiums due from the reports that have been received. Minimum premiums apply only to individual shipments and are usually 10 cents each.

Rates for this coverage are open and are quoted at the discretion of the underwriter. It is, therefore, impossible to quote rates that would apply in all cases.

Rates Where Stage Is Used Are Higher

Rates are based per \$1,000 of value and are divided as to securities and currency, rates on currency being from 25 to 50 percent higher.

To points where the use of stages are necessary the rates are increased 20 cents for the first 25 miles and 10 cents for each additional 25 miles or fraction thereof. Owing to the increased hazard of this type of delivery, the companies not only increase the rates, but limit their liability to not over \$5,000 under any one shipment.

Shipments forwarded by registered air

mail are cared for by doubling the rate.

Forms are "all risk" and cover shipments of bonds, coupons, bank notes, legal tender, stock certificates or other securities or valuables by registered mail or express within the United States and the Dominion of Canada.

Primarily Limited to Financial Institutions

The clientele both present and prospective for this form of insurance is limited primarily to banks, stock and bond houses, and other financial institutions. Our first thought is, not a formidable number of prospects. However, as the management of these institutions are usually men of better than average intelligence, if the coverage is properly presented, the percentage sales is high.

Then again, with the advent of branch banking, and the broadening in the operations of stock and bond houses occasioned by a more general purchase of securities by the public, has tended to substantially increase shipments. This means more premiums.

With high limits obtainable through insurance companies, the low rates charged, coupled with the immediate payment of losses, should make this an attractive line to sell.

SOME OBSERVATIONS MADE ON WAYS OF PRACTICAL FIRE PREVENTION

BY HAMILTON M. LOEB
Vice-President Elbel & Loeb Co., Chicago

THE subject of fire prevention and protection is a vital aspect of our daily conduct as employees of this great institution. Preeminent in its field, Sears, Roebuck & Co. has been a material factor in making this country a better and happier place in which to live. It is the sacred duty of every director, officer and employee of this company to preserve the continuity of

last year about one three-hundredth part of all the nation is worth to pay for fire.

The actuarial bureau of the National Board has prepared figures giving some of the most important causes of fires. It has allowed in these figures 25 percent additional for uninsured property and for fires throughout the country which were not reported. The cost of

Hamilton M. Loeb gave a talk the other day before the regional and department managers of Sears, Roebuck & Co. in Chicago, at one of their important conferences. Mr. Loeb is a local agent, who is a student of insurance. He has appreciated the desirability of assureds taking an intimate interest not only in the construction of their plants but in housekeeping. He realizes that through the action of the assured, much can be done to cut down fire waste. In this talk he was speaking from the standpoint of one who realizes that steps can be taken in every building to prevent fire. Mr. Loeb's suggestions and counsel can well be taken to mind by every premium payer, especially by business houses. It can be read to good advantage by every local agent because Mr. Loeb gives advice that can be passed on to excellent advantage to other assureds.

its service. There are several catastrophes which might in a major or in a minor way interrupt the service of this company to the public, but the one which we must avoid at all cost is interruption by fire.

Big Sums Are Paid Out For Loss by Fire

Most fires are avoidable, and yet the figures show that our country is spending tremendous sums each year for fire loss. Since 1922 the annual loss, as compiled by the National Board of Underwriters, with the exception of the last two years, for which figures are not yet available, has been in excess of \$500,000,000, having reached a peak in 1926, \$560,548,000. The loss for last year, plus the upkeep of fire departments, water supply, and fire alarm service is estimated at \$1,120,000,000. The latest figure showing the present net worth of the United States is about \$350,000,000,000. It, therefore, cost us

carelessness in handling matches, cigars, cigarettes, and the like was over \$37,000,000. Stoves, furnaces, boilers, and their pipes caused a loss of over \$27,000,000. Spontaneous ignition caused a loss of over \$19,000,000. The carelessness in the handling of electricity and electrical appliances created a loss of over \$17,000,000.

Flat Iron is the Cause of Many Dwelling Losses

Of all the fires caused by carelessness with electricity, a large percentage resulted from lack of care in the use of the electric flatiron. Much of the remaining electrical losses resulted from improper wiring and overloading of circuits. Only 4 per cent. of the electrical losses are found in buildings properly wired according to the national electrical code, and where all electrical devices were used in accordance with that code.

The builders of this great business in

Can Insurance REALLY be Advertised Successfully?

SENIOR — "You know we've tried advertising. . . . JUNIOR—"Yes—but there MUST be some way to successfully advertise this business."

There is—read this message.

EVERY live, wide awake insurance man is interested in advertising. All around him are evidences of its tremendous power. The magazines are crammed with it—the Billboards shout with it—the ether, the press and the mails carry a constant stream of advertising messages until it seems that every business in the world can be advertised successfully except the Insurance Business!

Most insurance men are dubious about Insurance Advertising. They have time and again sent out their circulars or inserted small ads in the local newspapers, or tried some other phase of advertising always hoping against hope that the miracle would at last occur—that at last some traceable return would be secured. And, of course, it seldom did.

And so, sooner or later, most insurance men arrive at the conclusion that the insurance business doesn't lend itself to advertising. That advertising is a good thing for others—but not for us.

But there are at least 400 insurance agencies in America with a different story to tell. These agencies are using the most successful selling aid ever devised for fire and casualty insurance agencies. They are using PICTURES to sell the need for the many different types of insurance coverages. More than that, they are using the expensive rotogravure pictures—eight pages of them every month. They are advertising their business with a personal monthly



House Organ that costs thousands of dollars alone to print. They are doing a four fold job—a complete job—with their advertising medium.

First, they are SELLING insurance by means of striking illustrations carefully selected to show the value and need of particular forms of insurance coverage.

Second, they are keeping in contact with their clients—keeping their clients SOLD on their insurance.

Third, they are building confidence in the character and stability of their agency by using the finest house organ it is possible to publish.

Fourth, they are reducing the sales resistance in personal selling. The Pictorial sells the need for certain types of protection, the proper policy provides the required protection.

The Insurance Pictorial, for that is the name of this proven advertising medium, is patterned after the popular rotogravure sections of the Sunday newspapers. It capitalizes on the universal appeal of PICTURES. This is the biggest factor in its success. No one is going to throw the Insurance Pictorial in the waste basket without a glance. As a people we are PICTURE minded.

In all there are 9 big factors responsible for the success of the Insurance Pictorial. These nine factors together with sample copies of the Insurance Pictorial will be gladly sent you upon request. This coupon is for your convenience.

The price? Surely such an advertising medium must cost a great deal of money—surely this is out for big agencies. On the contrary the Insurance Pictorial may be had for

as low as

\$6 a month!

It Pays to advertise
— Only when you
know How.

The National Underwriter Co.,
A-1946 Insurance Exchange,
Chicago, Illinois.

Tell me more about the Insurance Pictorial—Send me sample copies and details regarding the franchise for my city.

Name

Address

City..... State.....

their wisdom have spent millions of dollars providing the very finest fire-proof structures for us to work in. Efficient aids in the shape of automatic sprinklers, ready to discharge thousands of gallons of water on any incipient fire a few seconds after it occurs, are placed in most of our buildings. At the instant of reaching a temperature of 135 degrees, the sprinkler heads will open and discharge from 30 to 100 gallons of water per minute directly upon the fire; at the same time, fire alarms will sound so as to bring human aid to vanquish the enemy, and also to turn off the water so that a more material damage will not result. In most buildings, standpipes and hose with a capacity for discharging thousands of gallons of water, fed by the best fire pumps, are available.

Need for Caution On Part of Employees

Millions of dollars have been spent in good construction and hundreds of thousands of dollars have been spent to protect the buildings and their contents against the ravages of fire. Highly paid experts supervise the maintenance of these devices and it would be only human for us to sit back, in view of these costly and efficient provisions and say: "That is enough—a fire-proof building cannot burn and its combustible contents cannot experience much of a fire if under the protection of a good automatic sprinkler system." Why, therefore, need we concern ourselves and be constantly alert and educate and instill good discipline among our employees to be ever watchful? The history of large institutions indicates, that, even with fire-proof buildings and splendid maintenance, disasters will occur. One striking instance will suffice.

Tells About the Loss In an Edison Plant

Thomas A. Edison built a plant which could not burn. Its columns were enormous monumental pillars of concrete which could not be encircled by the outstretched arms of four men. Nothing in the structure of the buildings was combustible. That great inventor prided himself on the fact that his plant could not burn. The contents of his plant were much the same as some of our departments—phonograph records which would not burn easily, a few photographic films, and much machinery. Towards the end of the business day, fire broke out. Before that fire had completed its toll of devastation and destruction, concrete ran like melted butter; steel burned, but first through its expansion demolished these concrete pillars of strength. Fire departments from many towns, villages, and neighboring counties pumped water into those buildings all night. Anxious relatives from miles away awaited the arrival of members of their families, only to learn that they were in one or another of the hospitals near the plant.

Tells About the Cause of the Edison Fire

We are naturally interested in the cause of the disaster. Attached and at about the center of the main buildings was a small film testing building. The work in this building consisted in projecting picture films on screens to examine for defects. The rejected pieces called "returned material" were put in large metal cans provided with covers. It was stated that the fire started in a can of such return material from spontaneous ignition. There is a possibility that it might have been started through some electrical disturbance in close proximity to one of these cans. It is to be noted that this was a stock of celluloid. We will have more to say about this a bit later. This case is only cited to warn against any false feeling of security.

Underwriters Watch Reputation of Assured

The very best underwriters measure the desirability of their acceptances of fire risks first of all by the name. In

England, where the individual underwriters name their own rate on each risk, the identical fire risk owned by Sears, Roebuck & Co., Marshall Field & Co., Julius Rosenwald, Otto Kahn, or Andrew Mellon would receive a much lower rate than the same property owned by Siegel Cooper & Co., Arnold Rothstein, or Harry K. Thaw. The name of Sears, Roebuck & Co., is so well known in fire protection circles that its risks are appointed the very best ratings in the United States. It is a matter of prestige equal in importance to financial credit. The adverse effect of a large fire in which lives were lost would be a most disastrous misfortune to Sears, Roebuck & Co.

If this fire record is to be continued, it will only be through the cooperation of you men and those under you. Study for yourselves the probable causes of fire in your individual departments. See that they are eliminated. Some of you have doubtless heard that an inspection of each building occupied by Sears, Roebuck & Co. is being made by the fire protection service of Chicago. A great many of these reports have already been completed, and we have carefully gone over the material contained therein. Some of the things which were found in a number of places and which you might look for, are given here.

Should Make a Study of the Fire Hazards

It would be impossible, however, for the most expert fire prevention engineer—which I am not—to point out all of the hazards which might produce fire. In almost every store the merchandise has been piled against windows, against fire escape doors and in such a manner as to block aisles. In the sprinklered stores, merchandise is piled so high so as to interfere with the proper operation of the automatic sprinkler system. We realize that in most stores this condition is due to the large amounts of merchandise which must necessarily be carried and that it is proposed to enlarge some of the stores in order to give additional facilities so that this crowding will not continue. We wish to remind you that it is imperative wherever it is possible to cut down the stacks of merchandise. The automatic sprinkler is intended to take care of an incipient fire and where merchandise is piled too high, the fire spreads at the base of the pile to such a degree that the automatic sprinkler is unable to cope with it and a serious loss usually results. In a number of stores merchandise has been placed in stairways intended to be used as fire escapes.

Investigate these matters in the stores under your direction. You realize that in case of fire, it is essential that windows, doors, and aisles be left clear, and that if merchandise is piled in a stairway and is on fire that stairway is not a good fire escape.

Violations of Electrical Code Were Discovered

In a great many stores violations of the national electric code were found. Cotton wiring for electrical devices instead of insulated flexible wire, electrical wires hung over pipes, electrical transformers or motors improperly placed. In one store a transformer was operating while standing on a piece of paper. Connected with this transformer was a cotton covered wire to which was attached an unguarded electric lamp used in that department. In another store electric flatirons used by the tailor for pressing had no pilot lights. In a number of stores radiators were covered with inflammable merchandise. Here's one thing I can't say enough about—that is, smoking by the employees, which was found to be practiced in nearly all stores. There is not much danger from fire through smoking in offices, but smoking where merchandise is stored is probably the biggest hazard we have to fight. This means that the secret smoker must be persuaded and educated to desist, and this applies to the young ladies as well as to the young

men. "No smoking" signs are provided for all stores but are useless unless you insist on obedience. Now, we do not expect you to prohibit customers in your retail stores from smoking, but we do want you to discourage it wherever possible. In a number of stores cotton has been used profusely for decoration. It is possible to make these decorations out of non-inflammable material; there are asbestos substitutes which could be used.

A few minutes ago celluloid was mentioned in connection with the Edison fire. In several stores celluloid covers for various items, such as blotters and records, were found. We do not know how much celluloid is kept in stock for various purposes, but we are sure that you realize how highly inflammable this material is, and that wherever possible its use should be discouraged.

It is extremely important that the fire fighting appliances in your stores be placed in such a position that they are readily accessible. They should be in good working condition at strategic points so that they can be easily reached from any point of the floor and easily carried to any part of the floor. Extinguishers should be hung on the wall or placed in cabinets provided therefor, so that the top is not over five feet from the floor. They should be periodically inspected and refilled.

Boxes for storing excelsior should be metal lined, and cans for inflammable liquids, if kept at all, should be of small size and approved type.

Cleanliness is next to godliness and

very good fire protection. A clean store seldom burns. Daily effort is essential in order that good housekeeping may avoid possibilities of fire. See that oily rags are never allowed to remain in any store over night. Burn them daily in the furnace. Waste should be properly disposed of. In a number of stores waste paper and rubbish were allowed to accumulate in certain places. All waste, rubbish, and waste paper should be cleaned out daily, and arrangements should be made with a contractor to haul away from the premises daily.

In the figures given you we have stressed only the dollars and have not mentioned that which dollars cannot buy—human lives. During 1927 statisticians placed the loss of life caused by fire at 10,000. Upwards of 20,000 persons were injured by fire. Of this loss 70 per cent. occurs in cities, and, as you well know, most of our stores are in cities; 31 per cent. of the deaths and 13 per cent. of the injuries were to children. Should a fire occur in one of our buildings in which lives were lost, the newspapers from coast to coast would bring vividly into each home the stench of burnt hair and flesh; pictures of white shrouded, still bodies laid out awaiting the ambulance or the undertaker. They would depict the jump of helpless women employees from the upper stories, the mad rush of customers from retail stores with children trampled under foot.

To prevent this we bespeak your most sincere efforts and cooperation. You owe it to your company, the community, and yourselves.

EMBEZZLEMENT BIG PROBLEM IN ALL LINES OF BUSINESS ACTIVITY

Embezzlement is, of course, one of the greatest shocks to any particular business. Embezzlement is a secret crime. In this sense it differs from other crimes. In most crimes such as murder, robbery or burglary it is at once known that a crime has been committed, although it is not always known who committed it. In embezzlement, however, the success of the criminal depends upon his concealing not only that he is the criminal but that there has been a crime committed at all. This is the information given by E. N. Moseman, in charge of bonding claims of the Standard Accident. No business is proof against the attacks of the embezzler, Mr. Moseman says. In the last year the Standard was faced with embezzlements ranging from more than \$400,000 in amount down to insignificant sums.

How Shortages Are Covered

He said: "The means used by embezzlers to cover up their shortages are usually very simple. Not long ago, we were presented with a claim for a cash shortage of \$30,000 by a bank. The cashier was accused and confessed that his speculations had been going on for more than two years. The bank had been audited a number of times, yet the shortage had not been discovered. We were puzzled to know how he had concealed his shortage from the examiners. The accounts of the various depositors were all correct, and there was a simple cash shortage. He explained it very simply by telling us that when the examiners walked in the front door he selected the ledger card of some depositor, took enough cash out of the vault to make the amount tally exactly with the amount which the particular depositor had on deposit, put the depositor's ledger card in his pocket, and took it home. The cash, therefore, balanced with the deposits because the examiners did not have access to this particular ledger card. After the examiners' departure in a few days the card would be replaced and the shortage would again appear. Nothing very complicated about this, and yet it deceived the bank for almost three years.

"Embezzlement is a secret crime, and

the amount of deception which will be practiced by an embezzler is incalculable. He will go to any lengths to conceal his embezzlement. We are reminded of a case where a bank teller was discovered short a few hundred dollars. He confessed to the shortage upon questioning, and when asked what he intended to do about it, replied that he had a brother, Charles, who was assistant cashier in another bank in the same city, and that Charles would pay his shortage. Charles was called on the phone and came over directly. When acquainted with the facts and his brother's confession, he was astonished.

Brother Also Went Wrong

"He told us that he had been employed by his bank for 16 years, that his family had always had an honorable name and that this was a terrific blow to him. He turned to the defaulting teller, his brother, and berated him for dishonesty in besmirching the family name. He burst into tears, saying that he did not know how he could live through such a thing. He immediately paid his brother's shortage, however. Six months later, Charles suddenly died with pneumonia. It was discovered that he was more than \$7,000 short at his own bank. Deception of this kind tends to make one somewhat suspicious of the motives of human nature.

Start With Small Amounts

"Embezzlements usually start with small amounts which are considered 'loans' by the person who takes the money. He is going to repay the money, of course, but not being a very scrupulous sort of person, he does not repay it immediately because he finds it inconvenient. Unexpected expenses at home have deterred him from returning that which he has taken. Still no one discovers that he has taken it, and the unexpected occurrences at home continue. This thing grows, and it grows because it is not discovered, until the point is reached at an early date when the embezzler cannot repay the money. "At this stage of the game, speculation is quite apt to occur. Other men

make money on the stock market, and so a wild attempt is made to secure enough money to repay the whole sum taken. The embezzler is seldom a person who can succeed in speculation. He loses money which increases his embezzlement still further. He is now, of course, on the royal road to destruction. Some day he is going to be discovered

and he knows it, and his life from this point on is one of constant worry. We have had many embezzlers confess to us and after confessing, give a tremendous sigh of relief and make the remark that it is the first happy moment they have had in a long, long time. The embezzler, you see, is not without conscience."

DETAILED INFORMATION NEEDED IN AVIATION INSURANCE SCHEDULES

SAN FRANCISCO, Feb. 6.—At the meeting of the Fire Underwriters Association of the Pacific, Henry S. Dunn of Gordon & Dunn, general agents of the Independence Fire, treated the subject of aviation insurance thoroughly. He related the history of aviation from Wilbur Wright's first flight up to the present day. He told of the growth of the air mail service and the stimulating effect it had on commercial aviation.

In entering the aviation field, Mr. Dunn said, the insurance man will find a language that is foreign to him. The experience on the early aviation risks taken by the companies in the first part of the decade was very discouraging, but Mr. Dunn said that this bad experience was to be expected as ownership, planes, pilots, policies and underwriting were not sufficiently sound for the proper handling of this extremely hazardous type of insurance.

Uniform Policy Essential

"As in all lines of insurance," he said, "the aviation policy is the basis of underwriting and as aviation insurance is new, the policy is new, but it is hoped that the uniform contract will be adopted by the companies entering the field, rather than the introduction of competition by breaking down underwriting safeguards."

"We in the fire insurance business have a vivid example of this in the experience of our automobile departments and it is to be hoped that the companies do not have a like experience in aviation insurance. Undoubtedly, time and experience will call for changes in the policy form, but they should be made only by agreement of all the companies and uniform contracts issued," said Mr. Dunn.

Need Detailed Information

The aviation insurance policy is a contract issued only upon signed application which contains a schedule of warranties which are incorporated in and support the policy. It is necessary that the full and specific information be given in this application as an aviation underwriter must be more particular in the investigation of the insured than a fire insurance underwriter. "If there is any moral hazard he is going to know it if possible before he issues the policy and the issue awaits the report of the investigation," said Mr. Dunn. "He does not make it after the insurance is issued."

The description of the plane must be complete. In interpreting this description the aviation underwriter must have a technical knowledge of aeronautics. The aviation underwriter has no guide like Lloyds Register to refer to the airworthiness of the plane he is to insure, but must rely on his own or the best obtainable engineering knowledge.

Policy Depends on Pilot

"Of such importance is the pilot in the underwriting of aircraft insurance that the statements concerning him must be in full. The pilot is the king pin of the aviation and of necessity the pivot of selection or rejection by the aviation underwriter. He is not a mechanical creature, but must be possessed of all the faculties and more—he must be an airman."

The stringent requirements of the United States Commerce Department in licensing transport pilots should aid the aviation underwriter, but the aviation

underwriter must underwrite his pilots even holding transport licenses, for the high salaries paid to commercial aviators are so attractive and the number of new pilots required to keep pace with the wonderful development of aviation is so great that licenses may be issued to the wrong men.

"To the qualified transport pilot in the air-mail service the pay ranges from \$5,000 to \$7,500 a year for an average of 15 to 25 hours a week of flying. The pay in the first class passenger scheduled service is reported from \$8,000 to \$10,000 a year and test pilots for plane builders are on about the same pay level as are the instructors in the numerous schools for aviators which have sprung up all over our country."

Rates Affected by Hangars

There is some difficulty in determining the fire insurance rate on aircraft because the fire rate of the hangar in which the aircraft is housed is used as a basis for figuring. "On the Pacific Coast," Mr. Dunn said, "the tariff rate or schedule used has not been adapted to the aircraft hangar; none of the hazards for which the aircraft underwriter requires warranties in the policy enter into the calculation of the fire insurance man and his rate is illogical and incorrect."

"There have been no standards of either construction, occupancy or area adopted and the necessity for a schedule for this class of risks is very urgent. The aviation fields on the coast are mainly furnished by the various municipalities and the authorities have no guide in the erection of hangars which vary in design and type according to the ideas of the various communities. The construction is good, bad and indifferent and the restriction of either occupancy or area is unheard of. The National Board, seeing the need of aviation, has stepped in the breach and with its technical organization has taken up educational work to remedy this condition."

Landing Fields Important

"Accidental damage is written only with a deductible clause," Mr. Dunn continued. "This feature eliminates claims for damage to handling gear which may properly be considered a proper overhead expense of aircraft operations. In accidental damage, as well as in the fire coverage, the municipal fields enter as a problem. Too often they are located at unsuitable points: power wires, gas tanks and fog are not considered by the city fathers when they dedicate the new airport, but these features are vital in the consideration of the risk by the underwriter."

Mr. Dunn pointed out the fact that up to this time the premiums on aviation policies have been payable on delivery. He said that it was an example of good underwriting and that he hoped that credit competition would not enter the business.

In conclusion Mr. Dunn said that the insurance men should render much thought and study toward the reduction or elimination of the hazards attending aviation and the adaption of insurance service to the requirements of the new industry.

They are called the lower animals but you never see one shaking hands with another he doesn't like.

NEW RATES AND RULES SIMPLIFY HANDLING CONTINGENT LIABILITY

Public demand for protection of employers has led to the promulgation of new rates and rules that will immeasurably simplify the handling of so-called contingent automobile liability risks and will no doubt lead to a more extensive writing of this line, with a consequent opportunity for agents to add to their premium volume. The new rules recognize that what has been called contingent is in no sense contingent but legally direct liability of the employer and the name of the class has been changed to "non-ownership" automobile liability. The new rule is No. 19 in the automobile manual, new sheets of which have been sent out, effective Jan. 28. Make of car is immaterial, a single rate applying to all.

Heretofore the great trouble in writing the so-called contingent was the difficulty in arriving at rates. An agent was subjected to so much trouble that the premium, which is really moderate, hardly produced enough commission to pay for the trouble.

Can Handle Any Risk

With a simplified rating plan an agent can himself handle any risk with not more than 500 employees, without any puzzles whatever. The old rule allowed agents to make their own rates only on concerns having less than 100 employees, and required a guarantee that not more than 10 percent were using their own cars in the employer's business. There is no such guarantee in the new rule.

Non-ownership automobile liability, formerly called contingent, provides that "public liability and property damage (but not collision) insurance may be written to cover the liability of the named assured for the operation (voluntarily or otherwise) of automobiles and motorcycles not owned or hired directly by him but used in connection with his business."

Policies of this class may be issued to cover only named assureds and the omnibus clause of the policy must be eliminated. It is not permissible to add any other interest to the policy. The "other insurance" clause in the policy must be eliminated and provision must be made for this coverage to be excess coverage over and above any valid and collectible insurance available to the named assured under policies taken out by others.

Policies may be written without specifying any automobiles or motorcycles, to cover the complete liability of the named assured for the operation in the named assured's business of any automobile or motorcycle of the private passenger type, except those owned in whole or in part by the assured or individual partners thereof, and except automobiles hired or leased by the assured, or registered in the name of the assured.

Simple Classification Required

For the purpose of premium the employees of the assured are divided into two classes, the first of which is divided into two sub-classes, both of which, however, take the same rate. The rates do not depend upon the make of car, or horse power, or any of the other features that affect individual liability rates. Class 1 includes all outside employees "whose usual duties involve the use of automobiles or motorcycles not owned or hired by the assured," both those who are given allowances for maintenance and those who are not. Class 2 includes all other employees.

The premiums are determined on the basis of the total number of the assured's employees regardless of the number owning or operating automobiles or motorcycles. The rates are per capita and vary by territory and are different for class 1 and class 2. A monthly report is required from the assured showing the number in each class.

A rather lengthy endorsement must be attached to the automobile policy. This endorsement is set out in full in the manual but will probably be supplied in

printed form by the various companies for their agents. However, if the printed clause is not available it can be copied in typewriting from the manual and attached to the policy.

The new plan is the only one available for complete coverage, but policies may still be written to provide coverage only on named persons in class 1. Automatic coverage may be provided for class 1 separately or class 2 separately, provided all the persons in the respective classes are named in the schedule. Risks involving 500 or more employees must still be submitted for rating. Commercial and public automobiles cannot be written on this plan under any circumstances.

Extremely Low Charges

The rates on class 1 employees vary from \$4 in rural territory for public liability and \$2 for property damage on normal limits, up to \$33 in New York territory 1 for public liability and \$9 for property damage. The rates for inside or class 2 employees run from 20 cents each in rural territory for public liability and 10 cents each for property damage, up to 80 cents in New York territory 1 for public liability and 25 cents for property damage.

This simplified rating plan will undoubtedly result in an immense volume of premiums for companies and agents. An agent who does a large casualty volume said that he can sell this insurance to any customer to whom he presents it, but under the old plan he could not take the time to sell it. Under the new plan the handling of the business is even simpler than on an individual automobile risk, for the reason that the rating is so easy.

TURNED OFF SPRINKLERS AND PLANT IS BURNED

A costly lesson in getting the highest degree of efficiency from automatic sprinkler equipment was given at Shreveport, La. in the Robinson-Slagle Lumber Company fire. A fire broke out in the plant, but before the fire department arrived a sprinkler head had opened and the blaze was under control, very little damage having been done. After the fire had been put out, the fire chief endeavored to locate a spare sprinkler head to replace the one that had opened. But he was unable to do so so he cut off the system and advised the watchman to pay special attention to the section of the plant in which the fire occurred.

A few hours later in the night a fire started in the other end of the building in which the first blaze occurred. Before the fire department arrived, the conflagration had gained considerable headway and the building, machinery and contents were a total loss. The loss amounted to \$48,500, of which \$28,000 was insured. "The second fire clearly illustrates the necessity of putting the sprinkler system back in proper working order before the fire department leaves the risk," said R. P. Strong, secretary of the Louisiana Rating & Fire Prevention Bureau, in his report. "When this cannot be done the watchman should be instructed to watch the risk carefully and be shown how to turn on the sprinkler valve in case fire is discovered."

A recent editorial from the Portland, Me., "Press-Herald" is quoted in a recent issue of the Hartford "Agent" as showing how one newspaper editor feels about state insurance. We quote from the Portland paper: "Maine, at least, will never undertake to embark in the insurance business. All the evidence is against it and it is contrary to the established policy of this state to embark in any kind of business which can be done by individuals or corporations."

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The National Underwriter

February 7, 1929

CASUALTY AND SURETY SECTION

Page Forty-nine

FLEET SYSTEM IS TREND OF THE DAY

Firemen's of Newark Has Taken on the Commercial Casualty

INTEREST IN THE DEAL

This Gives the Newark Group Two Companies, It Already Owning the Metropolitan Casualty

NEW YORK, Feb. 6.—The deal whereby the Firemen's of Newark gets control of the Commercial Casualty through an exchange of stock created quite a surprise in the insurance district. W. Van Winkle had recently been elected vice-president and general manager of the Commercial Casualty. C. W. Feigenspan, chairman of the board of the Federal Trust Company of Newark and president of the C. Feigenspan Corporation of that city, is one of the wealthy men of Newark, and in days gone by owned a large brewery. This will give the Firemen's two casualty companies, as it already had secured control of the Metropolitan Casualty.

No Change to Be Made

President Neal Bassett of the Firemen's states there will be no change in the officers or management of the Commercial Casualty. Its home office is but three or four squares away from that of the Firemen's. The capital structure of the company, according to Mr. Bassett, will undergo no change. The company will pursue its present aggressive policy. However, the Commercial Casualty will have the advantage of the Firemen's group agents in many points and the Firemen's will have the benefit of affiliation with the Commercial Casualty. The transaction on behalf of the Commercial Casualty was negotiated by President Feigenspan and Vice-President and Treasurer W. C. Garrison. Mr. Bassett himself represented the Firemen's.

Dividends of the Firemen's

The Firemen's has been paying dividends at the rate of not less than 22 percent a year on par since 1913. President Bassett states that there is every reason to believe that it will continue to do so. It has followed the definite practice of paying its dividends out of earnings from investments without reference to underwriting results.

Van Winkle a Strong Man

The Commercial Casualty is well officered and has a splendid organization. Mr. Van Winkle, who was vice-president and secretary until his recent promotion, was connected with the United States Casualty as assistant manager of the personal accident and health department, resigning to become assistant United States manager of the Norwich & London. He was later secretary and general manager of the Union National Accident. He joined the Commercial

NEW INTEREST IN THE GENERAL CASUALTY

MASTERS IS NOW PRESIDENT

Chicago Firm Buys Large Block of Stock in the Company—New Directors Added

DETROIT, Feb. 6.—It is announced here this week that Snyder & Hay of Chicago, who are financially interested in a number of business enterprises, including the Republic Casualty & Surety of Chicago and the Bank Savings Life of Topeka, have purchased a large financial interest in the General Casualty & Surety of this city, thus joining hands with the Bushman family, who have been the largest individual stockholders. This gives the two interests control of the company. B. Frank Bushman, who has been president, becomes vice-chairman. Harry Snyder of Chicago becomes chairman and Chester D. Masters, who until recently was vice-president of the Chicago Title & Trust Co. but about six weeks ago joined the Snyder & Hay organization, becomes president of the General. There have been some changes in the board. There have been 11 directors, but the full quota of 15 is now filled.

List of Directors

The official list of officers is as follows: Harry Snyder, Chester D. Masters, S. J. Sackett, an attorney connected with the Snyder & Hay organization, H. Collins Hay and Attorney G. A. Spencer of the Snyder & Hay organization, all of Chicago, have been elected directors, as has Mr. Bushman. Others are R. B. Wilkinson of this city, general counsel for the General Casualty; Congressman Frank B. Bohn of Newberry, Mich.; William J. Graham; P. C. Dings of Traverse City, Mich.; Leon Chichester, president of the First State Bank of Petoskey, Mich.; Anthony Steffanowski of Detroit; William B. O'Connell, an attorney of this city; G. Sherman Collins, cashier of the First National Bank of Negaunee, Mich., and Arthur D. Wood, commissioner of pardons and paroles of Michigan.

It is announced that the working organization and the home office and field will not be disturbed in any way. The company will continue just as it is. The Bushmans have investments in other insurance companies, particularly in fire and life.

The varied interests of the Bushmans and Snyder & Hay financial groups undoubtedly present some interesting possibilities that may materialize in the future. Chester D. Masters, the new president, states that the General Casualty & Surety will proceed along the lines which it has established. He is well known in banking and financial circles both in Michigan and Chicago. He has had a splendid experience. He with Mr. Bushman will devote his time to investments and outlining the general policy of the company. The General Casualty & Surety it is stated has finished a successful year with satisfactory increases in its premium income and surplus.

Casualty in 1913 as manager of the personal accident and health department. The Commercial Casualty has been

(CONTINUED ON LAST PAGE)

COMMITTEE ASKS THAT ACTION BE DEFERRED

ONLY FEW COMPANIES FILE

Listings on Agency Lineups of Only 16 Companies Have Been Seen in Chicago

Acquisition costs in Chicago and elsewhere have again received attention from the executive committee of the Surety Underwriters Association of Chicago, with the result that the committee has recommended that no action be taken on agency listings until all the companies party to the conference have filed them. To date only 16 companies have filed, and it is the understanding of the Chicago local committee that some of the companies have refused to file. They base their refusal, it is reported, on their objection to having the listings that are to be filed with the conference on acquisition cost in the east go eventually to the Chicago committee.

The Chicago committee feels that it would be unfair to the companies that have filed if action were taken on them at a time when the large majority of filings are yet to be received.

A letter to the eastern organization says in part: "The local committee feels that the matter cannot be judiciously handled unless and until each and every company doing business in Chicago has filed its listings."

"The acquisition cost rules generally apply nation-wide, and each company under the national rule is entitled to a total number of exceptions in the United States. In view of the rules being applicable nation-wide it would be cumbersome for the local committee to attempt to handle the Chicago territory alone, disregarding the situation nation-wide, as one company might be out of line in Chicago and in line at another big point. Some adjustment should be made in Chicago considering the national situation, which adjustment could not be made by the local committee.

Would Cause Discontent

"It is further the consensus of opinion of the local committee that whatever action the local committee might take, it will result in discontent of some companies and finally will result in a most embarrassing situation to the individual members of the committee, each company not being given just what it asked for, naturally blaming the individual members of the committee.

"The rules as now adopted at Chicago allow for the right of appeal by any company that is not satisfied with the decision of the local committee, and it is generally understood that each and every company that is not allowed every exception that is asked for, will appeal to the National committee. The National committee being the court of last resort in the final analysis, it appears that to expedite matters the lower or intermediate court might just as well withdraw and let the court of last resort handle the situation in the first place.

"While we are somewhat reluctant to make this recommendation, we are doing so only after a thorough consideration and in the sincere belief that it is to the best interest of the business that the

(CONTINUED ON LAST PAGE)

NATIONAL SURETY HONORS W. B. JOYCE

Director of Company Has Accomplished Remarkable Job of Building

IN SERVICE 25 YEARS

Carrier Has Taken Outstanding Position in Its Field in That Length of Time

NEW YORK, Feb. 6.—Unusual interest attached to the annual gathering of the executives and department heads of the National Surety and its affiliated enterprise, the New York Indemnity, held last Thursday evening, in that the occasion marked the completion of 25 years



WILLIAM B. JOYCE
Chairman National Surety

of service by William B. Joyce as directing head of the parent enterprise, the man who more than any other is responsible for the enviable position long held by the corporation.

Throughout the years Mr. Joyce enjoyed the support of a loyal directorate and a virile head office and field staff, but his was the master mind of the institution, and very largely as the result of his energy, vision and resourcefulness the National Surety is what it is today. Not content, however, with its present total assets of \$50,165,692 and a policyholders' surplus of \$27,483,792, Mr. Joyce seeks further fields of conquest, and with the company's other executives has mapped out a campaign for 1929 having for its objective an increase in the agency force from its present aggregate of some 12,700 to at least 20,000, with a resultant gain in

(CONTINUED ON PAGE 63)

MARYLAND TAX REDUCTION URGED BY COMMISSIONER

GOVERNOR FAVORS MEASURE

Present Charge Said to Be Excessive—
New Companies Incorporate
in Other States

BALTIMORE, Feb. 6.—A reduction in the taxes imposed on guarantee and insurance companies in Maryland is one of the principal changes recommended for the state revenue laws in the report of the Maryland tax revision commissioner, and which will have the backing of Governor Ritchie.

The section of the act referring to these companies, which it is proposed shall become effective "at once," is a provision that the taxes shall never exceed the taxes which would be payable if the corporation were organized under the laws of some other state.

Shuts Out New Companies

"The present method of taxing fidelity and guarantee and other insurance companies having a capital stock incorporated under the laws of Maryland makes it virtually impossible for any such corporation to be organized under our laws," the report said. "The result is that for years practically no such corporations have been formed in the state."

The report added that last year the three Maryland casualty companies paid "no less than \$860,000 on their shares of stock, whereas, if they had been incorporated in any other state less than \$210,000 would have been payable."

Effect of Change Shown

"The beneficial effect of the reform can be illustrated by the fact that already the president of a large insurance company recently organized by Maryland capital under the laws of New York has stated that if our proposed bill is adopted he will surrender his New York charter and incorporate in Maryland."

The proposal to amend the law providing taxation of guarantee and insurance companies may mean a reduction in the state revenue, and the governor does not believe any measure affecting revenue should be approved until after thorough study.

The commission, however, does not recommend that the change be made at once, but proposes a graduated scale of reduction, under which the full reduction is not possible until 1933. The full reduction would apply at once to corporations organized after Jan. 1, 1929.

Loss Would Be Offset

Moreover, the commission feels that the loss of revenue will be more than offset by the revenues from new corporations attracted to Maryland by this liberality in its tax laws and predicts that "never will the revenue to the state from these corporations be substantially less than it was for the year 1925."

Personal Bondmen Liable

A jury at Noblesville, Ind., returned a verdict for \$18,000 in favor of Hamilton county and against the bondsmen of T. E. Setters, former treasurer of the county. The jury found Setters to be short in his accounts to the amount of \$29,000, but held the defendants in the case, who were on a second bond he provided, to be responsible in the sum of \$18,000. Garland Wicker, one of the bondsmen, fought the case on the ground that his name on the bond was a forgery, but the jury concluded his signature was genuine. The defendants were Roy Castor, George Eakin, Charles Ale, Charles Heiny, Corydon Passwater, Alex Hair, Mrs. T. E. Setters and Wicker. Setters pleaded guilty to the charge of embezzlement growing out of this shortage and is now serving a term in the Indiana state prison.

INDEPENDENCE INDEMNITY MOVING RUMORS DENIED

PROSPECTS FOR 1929 BRIGHT

President Holland Says Influenza Epidemic Has Not Affected Health
Insurance Loss Ratio

PHILADELPHIA, Feb. 6.—President Charles H. Holland of the Independence companies has emphatically denied that any plans are in contemplation for moving the home office of the Independence Indemnity to New York. A rumor to this effect was current in Philadelphia, consequent upon the substantial investment made in Independence Indemnity stock by the Corroon & Reynolds interests of New York.

When asked as to the outlook for the casualty business at the present time, Mr. Holland replied that, judging from his own company's experience, prospects were very bright for a good volume of business. The premiums of the Independence Indemnity in January, he said, were substantially ahead of those of the same month in 1928.

Health Claims Normal

Mr. Holland was asked whether the current epidemic of what is generally described "influenza" had had any effect upon the company's health loss ratio. He replied that his company's health claims are normal for this time of the year and that there has been no indication of any epidemic of influenza of the virulent kind which has been experienced in years gone by. A great many persons, he said, are suffering from colds, which in some instances are leading on to pneumonia; but he said that the publicity which has been given to the need for care when a cold appears is apparently having its effect in minimizing the results of the mild epidemic.

LINK VICE-PRESIDENT OF GREAT AMERICAN

Fulton P. Link, manager of the metropolitan New York branch office of the Great American Indemnity, has been appointed assistant vice-president of the company in recognition of his diligence in building up his department. He joined the Great American when it began business in 1926.

Mr. Link's first insurance experience was with the Travelers, which he joined in 1913 and served in various capacities. He served in the aviation corps of the United States army during the World War, after which he again entered service with the Travelers as assistant manager of its Newark branch. He resigned this connection to become associated with M. S. Bowman in a Philadelphia agency and later went into business for himself, with offices in Philadelphia and Newark.

Indiana Ripper Bill

A "ripper" bill that would practically repeal the present compensation act in Indiana and replace many sections with a provision that would necessitate a substantial increase in rates for compensation insurance in Indiana has been introduced in the legislature and is attracting considerable interest. It is a measure supported by union labor and liberalizes compensation provisions in many particulars. It is known as Senate Bill No. 32. Among the more important changes, Section 8 removes the general wilful misconduct of employee as a defense.

Commercial Casualty Appointments

Two home office appointments just announced by the Commercial Casualty of Newark are those of Joseph A. Swett as manager of the liability department, and George C. Miller as manager of the compensation branch. Both have been in the service of the company for years and rendered efficient and loyal service.

PARIS BRANCH OFFICE OPENED; BERLIN NEXT

MOVE BY NATIONAL SURETY

Investigation Bureau to Operate
Throughout Europe—Will Enter
Mexico and Argentina

NEW YORK, Feb. 6.—The opening of a branch office in Paris, France, for the transaction of Fidelity business is announced by the National Surety. For the present the office will be under the management of Vice-President Hugh Nettle. Arrangements for opening a branch in Berlin are well under way and it is anticipated the company will be writing in Germany not later than April 1.

In addition to writing all fidelity lines, plans have been effected for affording agents and patrons of the National Surety facilities of an investigation bureau to operate throughout Europe under the direction of Mr. Nettle. The establishment of branch offices in two important European centers is the first step in the foreign expansion program of the corporation, which intends in the near future to enter Mexico and Argentina as well.

COMPANY LIABLE ON BOND GUARANTEE

MADISON, WIS., Feb. 6.—An insurance company that guarantees securities while an application is pending to authorize the sale of securities in the state is liable to persons who buy the securities in case the railroad commission does not permit the securities to be sold. The supreme court on Tuesday directed a verdict against the Columbia Casualty and in favor of John H. Bechtel, who had bought securities pending an authorization by the railroad commission. The court, speaking through Justice Owen, said:

"It must be remembered that this was a statutory bond given to accomplish a statutory purpose, that the terms of the statute are to be read into the bond, and that the bond is to be construed conformably to the statute. The construction which the trial court gave to this bond was all too narrow and too rigid and left out of view entirely the manifest legislative scheme and purpose. The condition of the bond was broken when the commission denied the permit (to sell the securities). The Columbia Casualty should not have been relieved of liability for this reason."

Georgia Casualty's Results

President Harry C. Mitchell of the Georgia Casualty of Atlanta can be proud of the 20th annual statement, which shows the effect of his constructive administration. President Mitchell came into the Georgia Casualty and had a lot of housecleaning and revamping to do. He has gotten its assets down to bedrock, has cleared out the underbrush and now has the company solidly buttressed and is traveling in good shape. Its assets are \$3,523,182, loss reserve \$766,764, premium reserve \$926,663, capital \$750,000, net surplus \$903,459. The company is backed by Peabody, Kidder & Co., the investment house of New York and other large financial interests.

Bankers Indemnity Figures

The Bankers Indemnity of Newark in its annual statement shows assets \$4,121,546, as compared with \$3,302,922 a year ago. The premium reserve is \$1,099,587, claim reserve \$723,404, capital \$1,000,000, net surplus \$1,000,000, premiums \$2,444,540 as compared with \$1,289,057 a year ago. The premium reserve ran up from \$652,589 a year ago. The claim reserve, of course, increased considerably. A voluntary reserve for contingencies amounting to \$146,296 was put up. The company has made a rapid but healthy growth.

TAYLOR TO CHICAGO FOR ALLIANCE CASUALTY

WILL OPEN BRANCH OFFICE

Has Been Boston General Agent of
Indemnity Insurance Company
of North America

Dion W. Taylor, since 1923 in charge of the Boston general agency of the Indemnity of North America, has been selected by the North America group to open a branch office at Chicago for the Alliance Casualty, recently organized as the second casualty company of that group. Mr. Taylor left for Chicago this week and will make his headquarters in the Insurance Exchange.

Wilfred E. Dings, who has been an assistant general agent in Boston, succeeds Mr. Taylor with the title of manager of the Boston branch.

In Business Since 1913

Mr. Taylor began his insurance career with the Maryland Casualty in 1913 in Philadelphia, and later was special agent in the southwestern territory. In 1915 he went with the Travelers in Philadelphia, following which he entered the navy, serving two years during the World War. He returned to the Maryland Casualty for a short period and in 1920, when the Indemnity of North America was organized, went with the new company as liability underwriter at the home office in Philadelphia. He went to Boston in 1923 to open a general agency and developed a good volume of business.

Mr. Dings started in the liability underwriting department of the Employers Liability in 1915, was for a time with the Frank A. Morrill local agency in Norwood, Mass., and joined the Boston general agency of the Indemnity of North America as a special agent in 1924. He was appointed assistant general agent in 1923.

Richard S. Chew, who has been with the Indemnity of North America since 1922 at the home office and in the Philadelphia city office, becomes assistant manager of the Boston office.

REPORT FAVORABLY ON GUEST LIABILITY BILL

LANSING, MICH., Feb. 6.—Initial steps toward enactment of a measure which would relieve casualty companies writing automobile liability lines of a considerable portion of the existing hazard marked the past week when the transportation committee of the house favorably reported Representative Joseph E. Warner's bill. The bill would eliminate all suits brought against motorists by passengers in their own cars, providing they were not being transported for hire. While the measure is designed primarily to protect the individual car-owners from the damage claims brought by gratuitous passengers, it appears that it would also relieve the motorist's insurer of any liability. As many so-called "friendly suits" are now brought by guest passengers in order to take advantage of the fact that a motorist carries indemnity insurance enactment of the Warner measure, it is believed, would put an end to this variety of litigation and require that persons accepting free rides assume their own responsibility for possible accidents or else take out their own insurance. The bill, so far, seems to have been favorably received and it is entirely probable that it will be passed, at least in the house.

Atlas Casualty Meeting

The Atlas Casualty of Fort Wayne will hold its agency convention in its home city Feb. 22-23. It will be in charge of President Holderman and Secretary Hopkins.

OPPOSE GOVERNMENT AS INSURANCE MEDIUM

State Unjustified in Entering Field
Developed By Private
Initiative

SPEECHES ARE BROADCAST

Senator Harrison, H. S. Ives, Wesley E.
Monk Express Group Sentiments—
Deplore Federal Interference

BOSTON, Feb. 6.—An unmistakable protest against government going into the insurance business, or other business which private enterprise can and will conduct, dominated the greatest insurance gathering which Massachusetts has ever known last week when Senator Pat Harrison of Mississippi, Henry Swift Ives, vice-president of the Casualty Information Clearing House of Chicago, and Wesley E. Monk, former commissioner of insurance, addressed nearly 900 of the most prominent and influential insurance executives in Massachusetts and other New England states.

The dinner was under the auspices of the Insurance Society of Massachusetts, of which Leslie E. Knox of Boston is president. James H. Carney was introduced as toastmaster and the principal speeches were broadcast. An orchestra and quartet enlivened the program.

Deplores Government in Business

Senator Harrison said the insurance companies of New England had succeeded because of the confidence the people of the country had in the people of New England. The senator spoke of his desire for a re-arrangement of governmental activities to secure more economy and of the difficulties in the plan. He deplored government entering into any business which private enterprise could handle. If private individuals would not and could not perform, the state was justified in taking up such a line. But once established and with the people ready to carry on, the business should at once be turned back to private initiative.

More Dangerous Than Socialism

Mr. Ives spoke more specifically of government in the insurance business and of the socialistic trend in governmental and legislative circles. He thought the general apathy of business men more dangerous than the definite programs of socialists. Business men were too prone to allow the government to supervise and restrict the business of others while most opposed to any meddling with their own line.

Peter A. Collins, former president, made a suggestion from the floor that Mr. Monk be called on for a talk. This aroused the audience to enthusiasm. Commissioner Monk, in a short speech, declared it was not for him to say what he had done was the right thing but for the people of Massachusetts. He said he had always tried to settle problems on their merits and not from political expediency and he had always felt that a man holding public position should view matters in a judicial way and decide each question on the merits of the matter in hand. He was greeted with cheers which followed him from the platform.

The banquet was attended not only by prominent executives of fire, life and casualty companies, but many tables were filled with business men, invited by various company officials. There was no mistaking the sentiments of the speakers and of the assembly that, in fact, it was a vehement protest against Massachusetts assuming to conduct the insurance business through state funds or by compulsory insurance plans.

Lieutenant Governor William S. Youngman, who appeared at the dinner for a

WELLS VICE-PRESIDENT OF INDEPENDENCE INDEMNITY

COMPANY HAS PROMOTED HIM

Has Been in Service of Carrier for
Some Time—Is Raised from
Assistancy

PHILADELPHIA, Feb. 7.—Assistant Vice-president Joseph R. Wells today was elected a vice-president of the Independence Indemnity, succeeding Andrew Johnston, who recently resigned to join the Public Fire group.

Mr. Wells has been with the Independence since the company was started in 1922, in charge of the fidelity and surety department. He entered the surety business in 1900 as manager of the bonding department of a large western agency. Two years later he was admitted to the bar in Nebraska and practiced law until 1908, when he returned to the surety business, joining the National Surety in Nebraska.

In 1910 he was transferred to the home office as assistant secretary, later being made vice-president in charge of the out-of-town contract department. He was given charge of the city contract department in 1917. He resigned from that position to join the Independence.

Halligan Joins the Standard

NEW YORK, Feb. 6.—Frank G. Morris, president of the Standard Surety & Casualty, continues to add desirable talent to the headquarters staff, his latest selection being Edward J. Halligan, who has been appointed assistant secretary. His particular duties are to study problems linked with the surety business submitted the company. Mr. Halligan's connection with underwriting interests dates from 1916. Prior to that he was for eight years superintendent of construction for the Hassam Paving Company of Worcester, Mass. His first insurance association was with the United States Fidelity & Guaranty, subsequently being identified in turn with the Massachusetts Bonding, Union Indemnity and the Metropolitan Casualty, retiring from the service of the last named company to follow his former chief, John R. English, into the employ of the Standard Surety & Casualty, of which organization Mr. English is vice-president.

Will Become Lloyds Casualty

NEW YORK, Feb. 6.—The stockholders of the Lloyds Plate Glass are to meet this week when the name of the company will be changed to the Lloyds Casualty. It is proposed to branch out as a multiple line organization. The par value of the shares will be reduced from \$100 to \$10 each. An additional \$1,000,000 will be made to capital and at least \$1,500,000 to net surplus through the sale of new stock. William T. Woods, president, will become chairman of the board.

A few moments, hit very nearly the high spot of the evening although his talk was of few minutes' duration. He said he had been asked how he got ashore from the wreck of the Republican party last November and his answer was "On an insurance plank." He declared he was opposed absolutely to state funds for any purpose and considered the government had no right to go into any business. Further, he knew of no business where there was less profit divided up between middle men, jobbers and the like. The public bought their policies from the agents of the companies. He felt that the agent and the broker earned every penny of their commissions and in fact were poorly paid for much of their work. His remarks were received with cheers.

UNION INDEMNITY TO GET A LIFE COMPANY

MOSS GIVES ANNUAL REPORT

Combined Resources of the Group Now
Amount to \$23,311,945—Dis-
tinguished Guests at Dinner

NEW ORLEANS, Feb. 6.—W. Irving Moss, head of the Union Indemnity organization of New Orleans, in his annual report stated that the holding company for the group has 7,244 stockholders. The combined premium income of the group last year was \$15,464,255 and the combined resources \$23,311,945. President Moss states that it is the intention of the holding company to enter the life insurance business and acquire a company. He is hopeful that some announcement can be made in the near future. The report was given at the annual dinner at which were present the executives, directors, department heads and officials from other states.

Among guests and officials present were: Huey P. Long, governor of Louisiana; Charles A. O'Neill, chief justice of the supreme court of Louisiana; Arthur J. O'Keefe, mayor of New Orleans; R. S. Hecht, president, Hibernia Bank & Trust Company of New Orleans; Sidney W. Souers, executive vice-president, Canal Bank & Trust Company of New Orleans; A. H. Grant, Curtis & Sanger, New York City; John H. Puelicher, president, Marshall & Illsley Bank of Milwaukee; Sir Aldo Castellani of England, Italy and New Orleans; Henry F. Weissenborn, New York City; J. C. Saltzstein and William G. Konig, Milwaukee; M. E. and P. H. O'Brien, Detroit; Joseph McGee and W. M. List, Kansas City; E. J. Miller, Louisville; Merle Smith, Los Angeles; Gauden Smith, San Francisco; M. W. Hardy, Little Rock; R. E. Kennington and W. G. Sours of Jackson, Miss.

BROWN MADE MANAGER; FIERY TAKES NEW DUTIES

Paul M. Brown has been appointed manager of the casualty department of Bowes & Co., general agents of the Royal Indemnity in Chicago. E. I. Fiery, vice-president of Bowes & Co., who has been casualty manager also, is released from the detail of that department and takes charge of the business extension department of the agency. He will particularly take care of several large lines that have recently come to the agency.

Both Mr. Fiery and Mr. Brown are old Travelers men and graduates of the Travelers school at Hartford. Mr. Fiery joined that company in 1913. In 1923 he joined the Bowes agency when it took the general agency of the Royal Indemnity and organized the casualty department of which he has had charge ever since. He was made a vice-president in 1924. He is a student of the casualty business and has written a number of important articles on that line. He is a past president of the Casualty Field Club of Illinois and also of the Insurance Club of Chicago.

Mr. Brown is a young man who joined the Travelers in 1919 and until he joined Bowes & Co. on Feb. 1 was field assistant in charge of production in northern Illinois outside of Chicago.

U. S. F. & G. Men in Des Moines

DES MOINES, Feb. 6.—The Advancement Club of the United States Fidelity & Guaranty held its second annual banquet here last week. W. A. Edgar of Baltimore, vice-president and manager of agencies, was a guest of honor, as was Dr. John W. Martin, vice-president and medical director. From Omaha came Henry Bush, assistant manager; J. A. Rhodes, counsel, and George La Mair and Louis Tlernan, special agents. J. Dillard Hall, manager of the local branch, was master of ceremonies.

COMPANIES CAN NOT GUARANTEE DEPOSITS

Company Executive Tells Why
This Procedure Would Be
Unsound

MAKES LONG COMMENT

Gives Careful Analysis of Factors Oper-
ating to Prevent Carriers Writing
These Risks

NEW YORK, Feb. 6.—With the general discrediting of the state bank guaranty fund idea, inquiries have come from several sources recently whether surety companies, either separately or through the medium of a pooling arrangement would not undertake guaranteeing the safety of funds carried in banks and trust companies in certain states. The suggestion is not an appealing one to company officials for a number of reasons. There is not the remotest chance of its being adopted. Commenting on the matter, a leading surety company executive said:

"We have at various times been importuned to grant these wholesale guaranties, but have invariably declined to do so. The hazard is so concentrated and the aggregate so vast that the capital and surplus of any individual institution, large as it might be, could easily be swept away in time of stress, such, for example as periods of agricultural or general business depression. In that connection we owe a duty to the public we now serve and in justice could not engage on a line that might easily absorb our entire liquid assets and prevent the prompt payment of other obligations.

No Inclination to Extend

"So far as a pooling arrangement among surety companies for the assumption of such risk is concerned, the experience of the individual offices with depository bond guarantees has been such that there is no inclination to extend the coverage."

Continuing, the executive said: "Impractical from the standpoint of the surety companies, the suggested plan if adopted would work a hardship on many financial institutions, and for these primary reasons:

Would Be Unfair

"(a) In order to avoid too great concentration of liability, we would not dare to cover more than a few of the strongest banks in a county. Other banks equally worthy would likely be unable, through no fault of their own, to provide their depositors with corporate protection and, therefore, be subject to suspicion and unfair competition. "(b) Corporate surety might exercise its right to cancel or refuse to renew, not because of changed conditions in a particular bank or locality, but because of losses on other banks, or because the views of its underwriters as to the desirability of the business as a class had changed, in which event irreparable damage might be done.

Might Cause Run on Bank

"(c) The inability of a bank to secure the coverage desired by its depositors might easily result in a run of sufficient size to cause a closure.

"(d) Good bankers—men running the strongest banks—would resent, very properly, any attempt on the part of their sureties to dominate their policies, and the cost of inspection (which would be necessary), if made frequently and thoroughly, would be so heavy as to be

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RATE CONTROVERSY ON COLLISION COVERAGE

LOSS RATIO HAS BEEN HIGH

Casualty Companies See No Justification for Reduction on Basis of Past Experience

BALTIMORE, Feb. 6.—"Rates are made on experience, and experience does not indicate that rates should be reduced to the extent that they have been reduced in the Western Conference territory," said an official of one of the largest casualty companies here, in commenting on the statement that more automobile collision coverage should be sold. "The casualty companies feel that they have insured a sufficient number of cars in the past to know what the rates should be in all the territories. They also feel that these risks which they have insured are probably even better than the uninsured risk, and that there is no basis for the assumption that by writing a larger volume of the business the loss per car will be reduced."

Small Profit on Line

"The casualty companies that belong to the National Bureau of Casualty & Surety Underwriters are not writing business in the Western Conference fire territory at the rates which have been adopted by the Western Conference on the assumption that the more business that can be written the smaller will be the losses per car insured."

"What experience there is available seems to indicate that for several years past the automobile writing casualty or fire companies have made only small profits and in many cases have suffered losses on collision coverage, and as premiums have been well up in the millions the casualty companies feel that the past experiences indicate conclusively that the existing rates are not excessive as compared to the volume of business written."

PRESENT AUTO ACCIDENT COMPENSATION STATUTE

MILWAUKEE, Feb. 6.—A motor vehicle accident compensation law modeled after the present Wisconsin workmen's compensation act is asked in a bill introduced into the Wisconsin senate last week by Senator Walter Polakowski of Milwaukee. The bill provides for the creation of a separate division of the industrial commission to administer the law. Each automobile owner would pay an insurance premium to the secretary of state at the time the application for an automobile license is applied for. This fee would be as follows: for passenger automobiles, \$10; trucks, \$15; busses, \$25; motorcycles, \$5. The secretary of the state would remit this insurance to the state treasurer, who would be its custodian.

Taylor in New York

NEW YORK, Feb. 6.—W. L. Taylor, president of the Federal Surety, is in the city and with Charles Pauser of New York, recently elected vice-president and a director, is completing plans for the establishment of an eastern department for the company with headquarters here. The department will have jurisdiction over New York, New Jersey, Delaware and New England.

Of the \$1,040,000 new funds to be furnished to the Federal Surety by New York bankers, \$375,000 will be added to capital and \$665,000 to net surplus, thus increasing the former item of \$1,275,000 and the latter to \$1,700,000.

Farber Gets Southern Surety

William J. Farber of Syracuse, N. Y., has been appointed general agent of the Southern Surety of New York for all casualty and surety lines. Mr. Farber has been an agent of the Constitution Indemnity for the last year.

DRIVER CANNOT RECOVER FOR HIGHWAY ACCIDENT

STATE IS HELD NOT LIABLE

Nebraska Supreme Court Rules on Auto Accident Due to Road Construction

LINCOLN, NEB., Feb. 6.—The state is not liable to the owner of an automobile who wrecks his car and injures himself by running into an obstruction on a state highway left by road workers in state employ, according to a decision of the Nebraska supreme court, in the case of Shear vs. State. The state senate gave permission to sue, but the supreme court says this was not a confession of liability and not until the legislature enacts a law accepting liability for the negligence of employees can such suits be maintained.

The question of governmental liability has led to much litigation in recent years. States and municipalities are not liable for governmental acts. In the case of municipalities operating utilities like street cars, water works, etc., the courts in some states have held that such operations are not governmental in character, and that the municipalities are liable for accidents that occur in the course of such operation. In other states the liability is created by legislative enactment. In recent years states have gone more or less into operations like road making and the old question of responsibility has been reconsidered. The Nebraska decision indicates that the old time immunity of the state still continues and that it applies to operations of every character.

SAME RULE IN SOUTH DAKOTA

PIERRE, S. D., Feb. 6.—The supreme court of South Dakota has held in the case of Wisconsin Granite Company vs. the state, that the state cannot be held liable for damages on account of negligence of any of its employees or agents. The Granite company paid compensation to Carl E. Kohler on account of an injury received in a quarry operated by the state. The Granite company sued to recover from the state under the subrogation feature of the compensation law. Under that law an employer who pays compensation can join with the injured in a suit for damages against a third party responsible for the injury, any verdict received being used first to reimburse the employer, and the balance going to the injured employee. The supreme court decided against the Granite company on two grounds, first, that the state is not liable, and, second, that the subrogation act was passed after the injury occurred.

Brewster on Aetna Casualty Board

James H. Brewster, Jr., was made a member of the board of directors of the Aetna Casualty & Surety at its annual meeting. Mr. Brewster has been vice-president of the Aetna Life since 1925 and a director of the Hartford Aetna National Bank in 1926. He was elected vice-president of the Aetna Casualty & Surety at its annual meeting. Mr. Brewster has been vice-president of the Aetna Life since 1925 and a director of the Hartford Aetna National Bank in 1926. He was elected vice-president of the Aetna Casualty & Surety and the Automobile in 1926.

Automobile Meeting Held

NEW YORK, Feb. 6.—The governing committee of the automobile division of the National Bureau of Casualty & Surety Underwriters began conferences on Monday, continuing both yesterday and today. A committee representing the Pacific Coast Automobile Underwriters Conference is in town taking up with the casualty men the matter of collision rates on the west coast.

WOOD ADDRESSES FIELD CLUB ON COMPENSATION

MEETING CUT RATE OFFERS

Chicago Casualty Man Adapts Bank Analysis to Statements of Insurance Companies

Donald M. Wood of Childs & Wood, general agents of the Independence Indemnity in Chicago, talked to the Casualty Field Men's Club of Chicago at its meeting Monday on compensation insurance, with particular reference to meeting cut rate competition. Mr. Wood is not only a close student of the business but his firm has been highly successful in building up a large volume of casualty premiums. He is an associate member of the Casualty Actuarial Society, one of the few agents to enjoy that honor, which is granted only after a stiff examination.

With his actuarial background Mr. Wood does not believe in miracles and he is firmly convinced that a company that does not collect enough premiums cannot pay all of its losses, in the long run. He has worked out a method of testing the annual statement of an insurance company so as to give a clear picture of its condition.

Method Is Accurate

That his method is comparatively sound is shown by the fact that when applied to the Associated Employers Reciprocal and the Integrity Mutual statements for five years before they failed, it revealed the weaknesses which were actually given as the cause of failure when the post mortems were held by the receivers. His method was worked out about the time of those failures. However, it has had another test. In the heat of competition, Mr. Wood stated, he rashly predicted that a certain stock company would fail, and not only that it would fail, but would fail in a given year. The company failed in that year. This was perhaps a lucky guess, but the method showed the trend of the company's affairs.

It was not originated by Mr. Wood, but adapted from a book, "Operating Ratios and Management," published by the Robert Morris Associates, an organization whose membership is limited to the senior credit officers of the banks of this country. The Robert Morris Associates worked out the method for the purpose of testing financial statements of borrowers, and their method applies to mercantile operations. It was considered important enough for the Metropolitan Life to treat of this book in one of the pamphlets published by that company on business subjects, and it was through this pamphlet that Mr. Wood learned of it.

The method begins by selecting vital ratios in the business to be studied, and then establishing test standards by averaging the ratios of a number of undoubtedly sound concerns in the same line. In adapting the method Mr. Wood selects general casualty companies that have been operating more than five years, that are undoubtedly successful, and whose reserve ratios are not complicated by life insurance volume. He eliminates single line companies like the American Surety.

Eight Ratios for Test

For insurance tests the eight ratios chosen by Mr. Wood are as follows: (1) Assets to liabilities, (2) policyholders' surplus to assets, (3) policyholders' surplus to liabilities, (4) premiums written to premiums outstanding, (5) policyholders' surplus to premiums written, (6) compensation and liability reserves to compensation and liability premiums written, (7) all other claim reserves to all other premiums written, (8) total premiums written to total premiums earned.

To make a test of a company these ratios are compared with the ratios of

LOOK FOR ATTENDANCE OF 1,000 AT CONGRESS

SALES SESSIONS FOR MAY 6

Plans Agreed Upon by Casualty Field Club for Big Chicago Event

Final plans for the casualty insurance Sales Congress in Chicago were approved by the Casualty Field Club of Illinois at its meeting Monday. The congress will be held on Monday, May 6, in the grand ball room of the Hotel La Salle. The subjects will be automobile insurance, fidelity bonds, burglary insurance and compensation. There will be two sessions, two subjects being discussed in the morning and two in the afternoon.

Last year there were 606 visitors at the sales congress, and 427 attended the luncheon. The field club had expected only 250 and the great interest shown last year by the remarkable attendance has led the executive committee to hope for 1,000 this year. Companies are requested to remind their agents occasionally in nearby territory of the date of the congress. Last year some of the visitors came from as far away as Omaha and Kansas City, while "down state" agents from Illinois were numerous.

A nominal charge of \$10 will be made for exhibition space to be used by companies for display of their advertising material. Last year the displays aroused great interest, as the agents who attended were in earnest about increasing their casualty and surety volume. The spaces allotted will be of uniform size, but some companies have already indicated they will want more than one unit.

Legislative Floodgates Open

NEW YORK, Feb. 6.—In addition to the congress the legislatures of the majority of the states are now in session and the floodgates have opened for new measures. Bills providing for compulsory automobile liability insurance have appeared in Arkansas, California, Colorado, Indiana, Missouri, New York and Pennsylvania. The Treadway measure before Congress would create a monopolistic fund from which all owners of motor vehicles in the District of Columbia would be required to carry liability insurance.

Sun Indemnity's Statement

The annual statement of the Sun Indemnity gives assets \$3,722,488, claim reserve \$1,105,563, premium reserve \$1,253,131, capital \$700,000, net surplus \$418,455, policyholders' surplus \$1,118,455. F. I. P. Callos is president of the Sun Indemnity. It is allied with the Sun of London which is the oldest fire insurance company in the world.

the standard group over a five year period and year by year. The same ratios are worked out year by year for the company under consideration.

Must Be Sound for Good Showing

A company can make a better showing than it is entitled to on some items, but only at the expense of others. For instance, it can make surplus to policyholders by trimming reserves. It can make assets by counting uncollected premiums. It can make a good showing in any ratio it desires, but it cannot make a good showing in all of them unless it is sound. Furthermore, by studying a five year period the course it is following is revealed in the changing ratios.

The method of course involves considerable work and is perhaps of use chiefly on big lines. For those who are willing to put in some study for a \$5,000 or \$10,000 premium the method has its advantages.



BILLS! BILLS! . . . yet he was not alarmed

As he lay convalescing after the accident the constant stream of bills did not worry him. The confidence that his insurance check from the London Guarantee & Accident Company would take care of the abnormal expenses greatly aided in his recovery.

Men who appreciate the importance of steady income call on the London Guarantee agent for financial protection against accidents.

The London Guarantee agent is a skilled insurance man selected by the Company because of his high qualifications. Naturally, London Guarantee agents are leaders in their communities.

LONDON GUARANTEE & ACCIDENT CO., LTD.

Head Office: 55 Fifth Avenue, New York—C. M. Berger, United States Manager

These Advertisements Are Nationally Distributed by London Guarantee Agents

MILWAUKEE TRAVELERS AGENCY FORCE MEETS

EGLOF, DE FOREST PRESENT

Representatives from Home Office Attend Annual Gathering—Initiate Men from Hartford

MILWAUKEE, Feb. 6.—The Wisconsin agency force of the Travelers held its annual session here last week. Representatives from the home office at Hartford included John Eglof, supervisor of the agency field service in the casualty division; John de Forest, assistant superintendent of agencies; W. L. Murrell, group supervisor; H. L. Parker, assistant secretary, and L. P. Allison, assistant secretary.

McLaughlin Presides

T. C. McLaughlin, manager of the casualty division of the Milwaukee branch office, opened the meeting, which was devoted to a discussion of casualty lines. Mr. Eglof was the principal speaker on automobile insurance. Mr. McLaughlin and Mr. Charles Russell, assistant manager, discussed workmen's compensation, public liability, and property damage, and Mr. McLaughlin outlined the company's program on installment premium paying for automobile coverage. Agents on the program at this session included Walter Ziegler, West Bend; Frank Altendorf, Port Washington; Charles Kozak, Milwaukee, and J. C. Brown, Milwaukee.

Saturday morning was given over to fire and accident insurance.

Explain New Policy

John Brushingham, manager of the fire department at Milwaukee for the company, discussed the various phases of that department. Mr. Richey had charge of the rest of the session. Speak-

ers on accident production included Mr. Parker, who talked on the new accident policy and new accident manual; Waldemar Breidster, field assistant; Stanley McDonald, La Crosse; A. R. Falbe, Louis Ehlert, and J. R. Fitzsimmons, Milwaukee.

Casualty lines were taken up again under the direction of Mr. McLaughlin and discussions centered around burglary, boiler, and plate glass coverage. Mr. Eglof addressed the agents on the indemnity lines of the company. Other speakers included Roy Davidson, La Crosse; George Haverstick, Waukesha; Harold Watson, Milwaukee, and Mr. Russell.

Banquet for Agents

A banquet was given for the agents Friday night at which T. H. Richey was toastmaster. Mr. Eglof was the principal speaker and talked on "Modern Salesmanship." Mr. Fitzsimmons discussed the franchise of the Travelers. After a program, an initiation was held for the home office representatives and they were taken into the Wisconsin organization. Fred Brandt, Milwaukee, was master of ceremonies.

SERVICE OFFICE TO BE MUCH AUGMENTED

John Pabst, executive special agent of the Indemnity Company of North America, has enlarged the organization of the service office in Chicago. This office will be moved from the Insurance Exchange to the ninth floor, 209 West Jackson boulevard where the parent company, the North America, has its western department. William A. Hoppe, who was formerly with the Globe Indemnity, has been appointed Illinois special agent of the Indemnity Company of North America. C. W. Bray, who was formerly with the American Agency & Investment Company at Denver, becomes manager of the Omaha service office. Sherman Leseth, who was formerly with the London & Lancashire Indemnity, becomes Illinois spe-

cial agent for the Alliance Casualty. Mr. Pabst will take the underwriting and service office to the new location which will be in charge of him and his assistant, E. J. Uhler.

Metropolitan Casualty Directors

Directors elected at the annual meeting of the Metropolitan Casualty Tuesday included Neal Bassett, J. Scofield Rowe, Darwin R. James, E. Machold, Percy Jackson, Frederick H. Douglas, Charles G. Coyle, Walter C. Heath, Herman G. Hornfeck, David H. Knott, J. F. Schoellkopf, Jr., J. Dugald White, George F. Rand, Legrand S. Degraff, Edmund J. Donegan, John Kay, A. H. Hassinger, Wells T. Bassett, Frederick S. Pendleton, C. Stanley Mitchell, George W. Todd and S. William Burton.

Greene New Amsterdam Manager

C. F. Greene, formerly of Greene & Layton, Indianapolis firm, this week succeeded C. D. Bartholomew as manager of the Detroit branch of the New Amsterdam Casualty. He was wrongly listed last week as being with the Metropolitan there.

Aetna Sales Meeting Scheduled

The Chicago office of the Aetna companies will hold a two-day sales promotion meeting in the Congress hotel Feb. 28-March 1. Salesmanship, principally in the fire, casualty and surety lines will be stressed throughout. A banquet will be held the first evening. Those in attendance, besides the home office men, will be brokers and agents reporting through the Chicago office, and a few managers from outside the city, but in the Chicago territory. The home office men to attend will be: W. S. Mooney, vice-president; R. I. Catlin, secretary; S. F. Withe, assistant director of publications; E. C. Knapp, field supervisor; L. B. Fowler, farm department field supervisor; C. T. Spaulding, accident and health field supervisor, and J. F. Campbell, home office representative.

FOUR STATES WITHOUT COMPENSATION LAWS

WILL INTRODUCE MEASURES

Arkansas and North Carolina Have Taken Steps to Establish Proper State Statutes

NEW YORK, Feb. 6.—Of the four states still without compensation laws, bills for the enactment of such statutes have now been introduced into the legislatures of Arkansas and North Carolina. It may be that Florida and South Carolina will move in the same connection before long. While the proposition has been before the legislature of Florida several times in recent years, the opposition of the lumber and fertilizer interests in the state has always proven sufficiently strong to overcome the measure. As against the forward move of both Arkansas and North Carolina bills have been offered in the legislatures of Missouri, Nebraska and Oklahoma to repeal the existing compensation laws, the inspiration, therefore, it is assumed, being supplied by the lawyers of the states named, who under present practice find their once profitable claim chasing methods no longer possible.

Myers Gets Equitable

NEW YORK, Feb. 6.—LeRoy Myers, operating as the LeRoy Myers Agency, has been given the metropolitan management of the Equitable Casualty & Surety of this city for fidelity and surety business production and with the exclusive rights to develop both lines in the boroughs of Manhattan and the Bronx. Mr. Myers will also act as metropolitan manager for casualty lines in addition to the First National Underwriters Agency. For a time Mr. Myers will continue to be located at 115 Broadway, but will remove later to offices in the insurance district.

F. I. P. CALLOS
President



OF NEW YORK

FINANCIAL STATEMENT AS OF DECEMBER 31, 1928

ASSETS

Market Value of Bonds and Stocks.....	\$3,025,720.00
Cash in Banks and Office.....	177,258.12
Premiums in Course of Collection	
(Under 90 Days Due).....	468,161.17
Other Admitted Assets.....	51,348.77

\$3,722,488.06

LIABILITIES

Reserve for Unpaid Claims.....	\$1,105,563.07
Reserve for Unearned Premiums.....	1,253,131.08
Reserve for Commissions.....	143,438.99
Reserve for Taxes, Expenses, etc.....	51,900.00
Voluntary Reserve for Contingencies.....	50,000.00
Capital Paid Up.....	\$700,000.00
Surplus Over All Liabilities.....	418,454.92

\$1,118,454.92

\$3,722,488.06

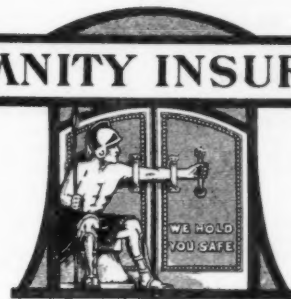
CAPITAL AND NET SURPLUS HELD FOR PROTECTION OF POLICYHOLDERS

\$1,118,454.92

EXECUTIVE OFFICES:
55 FIFTH AVENUE
NEW YORK CITY

BANKERS INDEMNITY INSURANCE COMPANY

Capital
\$1,000,000.00



Surplus
\$1,000,000.00

31 Clinton St.
NEWARK, NEW JERSEY

REPRESENT A COMPANY THAT PLACES YOU IN POSITION TO INCREASE YOUR CLIENTELE, THEREBY INCREASING YOUR EARNINGS

The super-coverage policies issued by the "BANKERS" enable the agent to obtain business which he otherwise would not get—an advantage that should not require second thought.

Pleasant relationship between the agent and the company makes one's work smoother—the "BANKERS" encourages that principle.

Investigate—it will be beneficial to you.

SAFER PROTECTION

The company makes a departure from established custom by making the minimum standard limits, \$7,500/15,000 for bodily injury and \$1,500 property damage liability without any increase in premium over what is ordinarily charged for \$5,000/10,000, and \$1,000 limits respectively. This removes the policyholder from the *danger-zone* to the *safety-zone*. These limits apply to all classes of public liability except public passenger carrying vehicles and elevators.

The company is writing:

Automobile Liability—Bodily Injuries
Automobile Property Damage
Automobile Collision
Automobile Plate Glass Breakage
Automobile Personal Accident
Teams Liability

Workmen's Compensation
Owners', Landlords' and Tenants' Liability
Golfers' and Sports' Liability
Manufacturers' and Contractors' Public Liability
Plate Glass Insurance
Personal Accident and Health
Burglary

The company is operating in the following states:

Maine
New Hampshire
Vermont
Rhode Island
Connecticut

New Jersey
Pennsylvania
Delaware
District of Columbia
Maryland
Ohio

West Virginia
Illinois
Minnesota
Michigan
Indiana
Wisconsin

Iowa
North Dakota
South Dakota
California
Alabama
Georgia

Application filed for Colorado.

FREDERICK E. WILKENS,
Vice-President and General Manager.

WORKMEN'S COMPENSATION

ACCIDENTS DECLINE GREATLY

Oklahoma Industrial Commissioner Reports 10,000 Less Injuries During 1928—Oil Fields Hazardous

OKLAHOMA CITY, Feb. 6.—The annual report of the state industrial commission reveals that in spite of the fact that industrial institutions have increased throughout the year, the total number of accidents occurring in the industries of the state covered by the workmen's compensation law during 1928 was lower by 10,000 than during the previous year. The commission further states in its report that although it has no facilities for ascertaining the nature or extent of accidents exposed, from careful observation in the administration of the law the commissioners believe that accident exposure is greater each year because of the growth of Oklahoma industries.

Drilling Greatest Hazard

The number of accidents reported to the commission during the fiscal year ending Aug. 31, 1928, was 50,523, as compared to 60,583 during the fiscal year ending Aug. 31, 1927. The commission reported a gain in the number of accidents in 1927 above those of the preceding year, which makes the 1928 reduction even more outstanding; in fact, the 1928 total only exceeds that of 1926 by 686 accidents.

Drilling in the oil fields is apparently the greatest hazard with 2,738 accidents reported in the 1927-28 fiscal year. These involved \$146,223 in claims. The next highest number of accidents was realized in general contracting work, which totaled 1,520 accidents entailing \$137,419 in compensation.

Accidents due to refining, not includ-

ing casinghead gas, which totaled 1,263, involving \$136,621 in compensation and 787 accidents in mines, totaled \$149,386 in compensation.

Many Not Under Law

NASHVILLE, TENN., Feb. 6.—Only 40 percent of the 189 employing contractors of Knoxville are operating under the provisions of the compensation law, according to a recent check made by Harry L. Nelson, director of the division of workmen's compensation, department of labor. Sixty percent were either not operating under the law, or had failed to file the necessary proof of insurance, he found.

Mr. Nelson was not prepared to say what a check-up of employing contractors in other cities would show, but his experience with the Knoxville list, he said, was ample justification for the need of an inspector to be assigned to the division to see that all employing contractors come under the provisions of the act in order that workmen employed by them may have the proper protection in case of injury.

A recent ruling by the attorney general held that it is necessary for proof of insurance to be filed with the division before the employer comes under the provisions of the act.

Self-Insurers Want Reduction

RICHMOND, VA., Feb. 6.—Virginia corporations which are self-insurers under the terms of the workmen's compensation act are asking for a reduction in the tax rate levied against them to help carry on the work of the state industrial commission. They claim that they are entitled to have their industrial experience rating applied in determining what tax they should pay and that if they are taxed on the base rate applicable to their industry the tax would be reduced. Corporations which carry insurance are taxed at the rate of 3½ percent of premiums, and the self-insurers have been taxed the same per-

centage of what they would pay if they carried insurance. The last legislature authorized the commission to give them credit for their experience rating if it saw fit to do so. A hearing on their application for a reduction was to be held this week. The commission has been making a thorough statistical study of the subject, according to its chairman, Bolling H. Handy, and the assembled facts was to have been presented at this week's hearing.

Would Abolish Accident Board

AUSTIN, TEX., Feb. 6.—The industrial accident board would be abolished and its duties consolidated with the state board of insurance commissioners, under a bill introduced by Senator McFarlane and referred to the committee on insurance.

The board of insurance commissioners would possess all the powers and prerogatives now exercised by the industrial accident board and it would be authorized to appoint a director of the workmen's compensation bureau to administer the workmen's compensation law under the supervision and direction of the board of insurance commissioners. Many changes in the workmen's com-

pensation law are also proposed in the bill. Increased benefits for employees are provided, there being enumerated injuries in a long schedule where the employee shall receive a weekly compensation equal to 60 percent of the average weekly wages, but not less than \$7 per week nor exceeding \$20 per week.

Missouri Amendments Opposed

KANSAS CITY, MO., Feb. 6.—At a meeting of 22 employers and business men of Kansas City, 14 proposed amendments to the workmen's compensation law were disapproved. Five pending amendments were approved and two were not acted upon because of insufficient information. The general opinion was to leave the law as it is and most of the proposed amendments were objected to on the ground that they would increase the employers' insurance premiums to approximately three times the present rates and not give the employees or employers commensurate return.

The proposal to repeal the law was voted down without discussion. The agitation against the present workmen's compensation law is being fostered by a group of damage suit lawyers in the state.

WITH BURGLARY UNDERWRITERS

BURGLARY LOSS RATIO LOW

Kansas City an Exception—Vigilantes Committee Plans New Police Force to Remedy Conditions

PHILADELPHIA, Feb. 6.—Burglary insurance, not so very long ago a continual source of worry to underwriters, is today one of the least worrisome of the lines with the loss ratio on both residence and open-stock risks gratifyingly low.

While newspaper accounts report crime waves in various large cities, notably in Philadelphia, the records of the companies do not bear out the reports

and one is forced to the assumption that, if there is a crime wave, that the victims are not carrying burglary insurance.

Kansas City Dark Spot

There is only one dark spot in the situation—and that is Kansas City. Those companies that are writing business there find that if they attempt to cut down on the volume, one big loss comes along and strikes them hard. And, if the companies attempt to prevent this situation by a large premium volume in Kansas City, they find the resulting situation even worse.

However, there is a silver lining to this dark cloud. A vigilantes committee

PENNSYLVANIA SURETY CORPORATION

JOSEPH W. WARD, President

IF the opinion of well informed experts counts, this organization is on the threshold of sound and rapid development. Agents who appreciate personal cooperation can get our story from

J. RAY DONAHUE
Vice President in Charge of Production

Pittsburgh, Pa.

STRONG IN RESOURCES

RESOURCES OVER \$2,900,000

ABLE IN MANAGEMENT

CONSIDER THESE FACTS

in making a **SURETY CONNECTION**

1

The F&D has specialized in the furnishing of all kinds of Fidelity and Surety Bonds for 39 years.

2

Most of the F&D's home office underwriters and many of its field officials have grown up with the business and are recognized authorities in matters of suretyship. That means they are prepared to render prompt decisions in connection with all bonding propositions.

3

By reason of their specialized training and experience, the F&D's special agents frequently are able to suggest ways and means of making acceptable underwriting propositions out of cases which many companies would refuse even to consider. Many premiums that would be lost to the agents of other companies are thereby conserved in the case of the F&D's representatives.

4

There exists at the Home Office not just an Agency Department to deal out supplies and powers-of-attorney, but an efficient Production Department, whose members are enthusiastically engaged in promoting the welfare and profits of all the Company's representatives.

5

The F&D is widely and favorably known for its prompt and equitable adjustment of claims.

6

The F&D has always subscribed to the principle that the ownership of expirations is vested with the producing agents.

**Fidelity
and Surety
Bonds**



**Burglary and
Plate Glass
Insurance**



**FIDELITY AND DEPOSIT
COMPANY OF MARYLAND**

Baltimore



Writing Casualty Insurance Fidelity and Surety Bonds



FEDERAL SURETY CO.
HOME OFFICE DAVENPORT, IOWA

An Experienced Stock Company

The "Central West" believes in adherence to agency principles. We desire connections in Michigan, Ohio, Pennsylvania and Wisconsin.

CENTRAL WEST CASUALTY CO.
DETROIT

HAL. H. SMITH, President

is reported as rapidly cleaning up Kansas City and installing a new police department. Underwriters believe that conditions there will shortly change for the better.

Conditions Only Normal

Chicago reported a large number of robberies during December and the first two weeks of January but underwriters declare that this is not abnormal but simply in keeping with conditions of numerous thefts around the Christmas holiday season. The last fortnight or so has found conditions in Chicago very favorable.

Philadelphia, which seemingly is having a crime wave, is, according to underwriters, the best of the big cities. One of the companies reports that it has just received its first open-stock loss in two years. The other companies have not been so fortunate but their experience has been exceedingly gratifying. A peculiarity of the present Philadelphia situation is that crooks are disdaining to gain entrance by the back door or window but in every recent open-stock loss are gaining access by the front door.

In the past the open-stock line was the unsatisfactory coverage from the loss standpoint with residence business the better. Open-stock business is now the better, with both lines profitable.

Prefer Burglary Insurance to Police

Burglary insurance is better and cheaper than employing a night policeman, in the opinion of the city council of Walton, Ky. The question of employing a night policeman to guard the town came up before the city council at its last meeting, and after a discussion the council decided not to employ one and urged the merchants instead to take out burglary insurance.

Wisconsin Bank Losses

MILWAUKEE, Feb. 6.—The National Surety has just paid a heavy loss on a bank in Green Bay, Wis., which was robbed recently. Although the robbers

were caught and sentenced to prison, the money has not been found.

A bank at Ixonia, between Oconomowoc and Watertown, west of Milwaukee, was robbed several days ago and the United States Fidelity & Guaranty had the coverage. The Milwaukee police rounded up the robbers within a short time and recovered all of the money with the exception of about \$400.

Richmond Holdup Loss Paid

RICHMOND, VA., Feb. 6.—The Maryland Casualty, through Gibson, Moore & Sutton, Richmond agents, made prompt settlement of a \$1,500 holdup loss which the Liberty Bank & Trust Company of this city suffered recently. The day after the holdup, which was a daylight affair, the bank was reimbursed in full. President Winfree of the institution took pains to announce immediately after the robbery that the loss was fully covered by insurance. Wild reports were in circulation in regard to the amount of the loss, one rumor having it that the bank had been robbed of \$60,000. This caused officers to fear a run on the bank and they desired it known that the bank was fully protected.

St. Louis Insurance Offices Robbed

ST. LOUIS, Feb. 6.—Several St. Louis insurance agencies were looted by robbers Sunday, the largest loss being reported by the Mercantile Insurance Agency in the Pierce building. The large safe in that office was broken open but stock and bonds valued at \$20,000 were overlooked. The robbers' loot included some \$1,300 in negotiable securities, \$300 cash and \$100 worth of postage stamps.

At the offices of the Markham agency in the Railway Exchange building, the combination was knocked off a safe and \$400 stolen. Entrance was gained by jimmying the main door.

The offices of the Equitable Life of New York in the Ambassador Theater building at Seventh and Locust streets, were also broken into. There the robbers also broke the combination from a safe and opened it but failed to secure any loot. The Maryland Casualty office in the Pierce building was also entered but nothing of value was secured.

ACCIDENT AND HEALTH

AMERICAN BANKERS ELECTS

J. W. Hoffman and H. C. Welch
Placed on Board of Directors
of Company

The American Bankers of Chicago and Jacksonville, Ill., has placed two of its home office agency men on the board of directors. They are John W. Hoffman, agency director of the casualty department, and H. C. Welch, agency director of the industrial department. Both have been given the title of vice-president.

Mr. Hoffman joined the company about 15 years ago. He was for several years a general agent at Peoria, Ill. When a farm department was organized some five years ago Mr. Hoffman was given the managership and called into the home office to operate the new division from headquarters.

Mr. Welch joined the company some four years ago as manager of the industrial department. Recently the monthly premium department has been put under his jurisdiction. His insurance experience was with the General Accident, John Hancock, Travelers and later with the Glens Falls Fire.

National L. & A. Convention

The National Life & Accident is acting as host to 175 field workers from the northern, southern and western districts of its territory the last three days of this week at their annual convention in Nashville.

Those attending the convention include managers, superintendents and agents, some of whom come from as far west as California.

The convention opened Thursday

morning. The entertainment program includes a dance Thursday night and the annual banquet Friday night. The convention will close Saturday at noon.

Utah Bill Fails

The Critchlow bill in the Utah legislature which would have allowed insurance companies to set up suicide against payment of accident or double indemnity policies was defeated. George A. Critchlow of Salt Lake defended the measure on the grounds that suicide was not an accident and that the public would have to pay increased rates if the law was not changed.

Expect to Start Soon

It is understood that the Sterling Life, Accident & Health of Los Angeles, which has been in the course of organization for several months, will soon be ready to engage actively in business, home office quarters having been selected in the Financial Center building. It is announced that the company will confine its operations to accident and health insurance for the present, later increasing its capital from \$100,000 to \$250,000 to enable it to also write life insurance. Officers of the company are: Bertram A. Green, president; L. H. Lightfoot, vice-president; Dr. M. E. Topping, vice-president, and Ben T. Campbell, secretary-treasurer.

Travelers Equitable Meeting

The annual agency convention of the Travelers Equitable was held Jan. 31-Feb. 2 at the home office in Minneapolis. About 150 Minnesota agents attended. At the banquet Insurance Commissioner Garfield W. Brown was the principal speaker, discussing the rapid development in insurance within the last seven years. Other speakers were James Holahan, examiner of the South Dakota department; Edgar L. Mattson, first vice-

T H E
American Liability and Surety Company

W. J. WILLIAMS - - - *President*
CINCINNATI, OHIO

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president of the Midland National Bank; John A. Hartigan, former insurance commissioner, and C. P. Diefenbach, deputy commissioner of Minnesota. President Gustav Lindquist presided.

Peoria Casualty Officers

The Peoria Casualty of Peoria, Ill., a new company that has been licensed by the Illinois insurance department, has elected J. W. Perryman, president and treasurer; Dr. A. M. Fromm, vice-president, and V. D. Beckham, secretary.

Agency Meeting in Milwaukee

The Income Insurance Company of Milwaukee held its annual agency convention in that city. Approximately 50 agents attended the two-day business sessions, which were concluded with a theater party and banquet. The company has recently moved into larger and more commodious quarters in the Plankinton building. Under Byron Yakey, its president, the company showed marked progress in 1928. Late in 1928 it was placed on a stock basis, the company heretofore being known as the Chippewa Valley Casualty. Several new policy forms have been added.

Missouri State's Policy Changes

In accordance with the suggestion of the Bureau of Personal Accident & Health Underwriters, the Missouri State Life has adopted in all its accident policies the standardized total disability clause, providing indemnity for 52 weeks while a man is totally disabled from his occupation and thereafter as long as disability exists, provided he is unable to perform the duties of any occupation for wages or profit. A nursing indemnity clause has been added to several of its policies, to be paid in the event no claim is made for hospital indemnity or operation fee. The partial disability portion of the "ace quadruple accident policies" has been extended to 52 weeks.

National L. & A. Promotions

R. E. Musto, who has made a notable record for the National Life & Accident in Akron, O., has been promoted to a superintendency in the Toledo district by that company. O. E. Shoaf of Waco, Tex., J. M. Dowdle of Memphis No. 1, W. M. Mattingly of Evansville, W. B. Taylor of Waco, H. Ross of Los Angeles No. 1, and E. C. Mason of Atlanta No. 3

have also been promoted to superintendencies.

Home Friendly Appointments

BALTIMORE, Feb. 6.—President B. Leo Talley of the Home Friendly announces the following appointments: Assistant Superintendent Howard R. Graham of La Plata, Md., made superintendent at Wilkes-Barre, Pa.; Agent Edward G. Hugg of Havre de Grace, Md., promoted to assistant superintendent at La Plata, Md.; Assistant Superintendent Richard D. North of Easton, Md., made superintendent of Salisbury, Md.; Agent Peter Pretcoe made assistant superintendent at Chester, Pa., and William Hanley of Salisbury promoted to assistant superintendent at Easton, Md.

Scherr Heads Committee

Watson Powell, president of the Health & Accident Underwriters Conference, announces the appointment of the special committee on cooperation and legislation, which was authorized at the December meeting of the executive committee. J. W. Scherr, president of the Inter-Ocean Casualty, is chairman, and the other members are William C. Safford of Cincinnati, general manager of the American Liability & Surety, and James F. Ramey, secretary of the Washington Fidelity National of Chicago. All three members of the committee are former insurance department officials and are thus especially well qualified to work with the commissioners of the various states.

Palmer to Address Club

Ernest Palmer, manager of the Chicago Board, will address the next meeting of the Accident & Health Underwriters Club of Chicago, which is to be held in the Palmer House at noon on Feb. 11. This meeting will be the last of the organization's first year.

Stonewall Jackson Reinsures

The Reinsurance of the entire business of the Stonewall Jackson, new health and accident carrier with home offices in Jackson, Mich., by the Title Guaranty & Casualty of Detroit, was announced late last week by Michigan insurance department officials. The Jackson company had been in possession of a license only since March 30, 1928. Officers included Fred J. Beaman, president; Joseph Badour, vice-president; Mae West, secretary.

AMONG SURETY MEN

CAN COLLECT ON BOND FIRST

State May So Recoup Itself for Deposit Before Using Collateral, Minnesota Court Holds

ST. PAUL, Feb. 6.—An important court ruling bearing on the liability of surety companies in the case of bank failures has been handed down in district court here.

The ruling in effect is that when a bank with state funds on deposit fails, the state may first fall back upon the surety company for the full amount of its bond and then seize whatever collateral the bank has furnished to protect the state funds.

State Deposit Involved

The case was that of the state against the American Surety and involved \$8,200 which the state had deposited in a bank at Braham, Minn. To protect the state the bank had put up \$5,000 in collateral and a \$5,000 bond furnished by the surety company.

When the bank failed, instead of seizing the collateral first as the previous practice had been, the state demanded that the surety company first pay its full liability of \$5,000 and the state would then collect the balance of \$3,000 from the collateral.

If the state continues this policy a surety company will be called upon in all cases of bank failures to make good the full amount of its bond, whereas before the state first seized the collat-

eral and then fell back upon the sureties for the balance.

BILLS TO RECONSTRUCT NEBRASKA GUARANTY LAW

LINCOLN, NEB., Feb. 6.—The banking committee of the house has introduced a series of bills endorsed by Governor Weaver for the reorganization of the banking department and a reconstruction of the guaranty law. For the present guaranty fund it substitutes a depositors' insurance fund, to be supported by regular semi-annual assessments on state banks aggregating one-fourth of 1 percent a year on deposits. There are to be no special assessments. The fund will not protect any deposit greater than 10 percent of the bank's capital stock. The fund, which under present average deposits, would yield \$700,000 a year as assessments on the banks, is to be disbursed to pay losses, interest bearing deposits to be paid last.

Joline Joins Alliance Casualty

B. E. Joline has resigned as assistant secretary of the National Surety to join the Alliance Casualty in its New York office. He will take up his new duties February 15. Mr. Joline is well known in surety circles in New York City. For the last five years he has specialized in contract and miscellaneous indemnity bonds for the National Surety. In his connection he will be associated with Franklin J. Strauss, manager of the fidelity and surety departments of the Alliance. He will complete the com-

pany's surety department and will specialize in contract bonds.

Higher Decision Will Stand

The time has expired for the appeal in the decisions of the state court of appeals of Ohio which ruled that payment of bond premiums by villages and townships for employees was legal. The case was brought in the common pleas court of Cincinnati before Judge Darby, who ruled that payment of premiums by villages and townships for corporate surety bonds of employees was illegal. This was the case of Dudley Miller Outcalt vs. Henry Earner et al. The case was appealed to the state court of appeals and in that court the lower court was reversed.

Surety Pays \$25,000

Attorneys for the American Surety and District Attorney Ward have reached an agreement in Indianapolis under which the surety company will pay the United States government \$25,000 as a tax penalty in the case of the United States against the surety company on a policy for George Remus, Cincinnati bootlegger who has been much in the prints as the result of his liquor operations and the murder of his wife. The surety was on a \$50,000 bond running to the government for the payment of a beverage tax on penalties. Remus withdrew liquor from a distillery in Lawrenceburg, Ind., presumably for non-beverage purposes, and, according to the government distributed it as a beverage. Another result of the settlement is that Remus loses \$25,000 of collateral he posted in favor of the surety. Several months ago the government accepted \$17,000 from the U. S. F. & G. in a similar Remus bond case.

Big Depository Loss in Spokane

SPOKANE, WASH., Feb. 6.—Spokane county funds to the amount of \$250,000, state funds amounting to \$100,000 and city funds of \$100,000 were on deposit in the Exchange National Bank, which failed here. Depository bonds had been issued by the National Surety, American

Surety, Indemnity of North America, Maryland Casualty, U. S. F. & G., Royal Indemnity, Metropolitan Casualty, Fidelity & Deposit, Hartford Accident, Standard Accident, Sun Indemnity, New Jersey Fidelity & Plate Glass, Southern Surety and Union Indemnity.

This is the first failure of a bank of any size in Spokane since 1893. The bank closed its doors on account of defalcation of officers and the failure of the Herrick Lumber Company, which had been loaned large sums by the bank.

Banks Refuse to Give Bonds

GRAND ISLAND, NEB., Feb. 6.—The Hall County Bankers Association has refused to comply with the demand of the county treasurer that the state banks give bonds for the safe keeping of public funds until such time as reliance can be placed upon full reimbursement from the guaranty fund. The bankers insist that the law, as twice construed by the supreme court, is that the guaranty fund law repealed by implication the old law which required banks to give bonds and that the county must rely upon the fund for its security. They further laid down the proposition that if the county insisted upon bonds being given they would pay no more than 1 percent interest on daily balances. The county board is advised by its attorney that the law fixing the interest rate at 2 percent must be observed.

Surety on Bail Bond

Held that an agreement to indemnify a surety on a bail bond is not against public policy. In this action on such agreement, there being no express provision in the contract under which indemnitor agreed to indemnify surety for the expense incurred for services of detectives, traveling expenses and long distance telephone tolls in searching for defendant in the criminal action, such payments, if so made by the surety, were purely voluntary and cannot be recovered.—Tischhauser vs. Jarvis, Ct. of Appeals, Calif., 1st Dist. Div. 1.

May Abandon Warehouse Law

LINCOLN, NEB., Feb. 6.—Under the provisions of a bill introduced by a

group of senators the present plan of licensed and bonded grain warehouses is to be abandoned, and a different system installed. The present law has been fairly well riddled by recent supreme court decisions and its provisions are such that the state railway commission was unable to do any effective policing. This law makes an elevator outside of terminal points automatically a warehouse, for which license must be secured and bond given, if it retains grain longer than ten days without paying for the same.

Get Large Contract Bond

Through its newly appointed representatives at Erie, Pa., Harper & Russell, the Continental Casualty has executed a contract bond in the amount of \$1,038,300 for Sessinghaus & Ostergaard, running in favor of the Erie Dry Goods Company. The latter has awarded a contract for the construction of a department store building at a price of \$1,038,300 to Sessinghaus & Ostergaard.

No Guaranty Fund Action as Yet

LINCOLN, NEB., Feb. 6.—The refusal of the house to order a joint investigation of the conduct of affairs by the state guaranty fund commission has put a quietus on the movements looking towards deferring the settlement of the fund deficit to an extra session next fall. The newspapers have contributed a number of stories indicating that some of the more shrewd depositors in the failed banks that were operated as going concerns were able to save themselves from

loss under a rule that the commission later hastily abandoned.

This rule allowed the depositors to withdraw most of their money as long as the commission kept the bank open, and put those who deposited money after the commission took charge on the same footing of reimbursement as those who had their money there when the owners stepped out. At Bridgeport heavy depositors in a failed state bank kept open for two years by an agent of the commission, pulled out 75 percent of their deposits in it and with the agent at their head, organized a new bank. This allowed them to get 75 percent of their deposits, while other depositors have to date received but 10 percent. In two other cases agents sent out to inventory collateral of failed banks showed up as purchasers of these assets, with a chance for good profit.

Fidelity Losses in Milwaukee

MILWAUKEE, Feb. 6.—The Fidelity & Deposit has paid out \$57,000 in losses on fidelity bonds in Milwaukee in the last six months. The largest loss was paid to the West Side Bank for \$25,000. Edward P. Volkmann, receiving teller of the bank, embezzled \$35,732. He was sentenced to 15 years in the Waupun state prison last week.

The company had a loss of \$15,000 on the National Bank of Commerce when a teller embezzled a large amount from the bank. He is waiting trial before the federal court in Milwaukee now. Another claim amounting to \$17,000 was paid on a third Milwaukee bank loss, which was not made public.

PERSONAL GLIMPSES OF CASUALTY MEN

Herman A. Behrens, president of the Continental Casualty of Chicago, who has been spending several days in Los Angeles visiting the southern California agency of the company, the California Agencies, Inc., is gone to San Francisco. After a brief stay in that city he expected to return directly to Chicago. Roy Tuchbreiter, vice-president and supervisor of agents, is now in Los Angeles and expects to remain in the city two weeks. Other executives of the company expected in Los Angeles shortly include M. P. Cornelius, vice-president, and W. H. Betts, a director.

Vice-president Sidney Hall of the United States Fidelity & Guaranty sailed Feb. 2 for a six weeks' vacation in Italy. He will divide his time between Naples and Rome.

In recognition of his success in up-building the New York City metropolitan branch office of the Great American Indemnity, of which he is manager, Milton P. Link was elected an assistant vice-president. The new official entered the service of the Great American within a short time after its organization, being placed in charge of its important local branch. The business of the department was aggressively developed, its net premium income for 1928 being in excess of \$1,400,000. A born salesman and organizer, Mr. Link's early business career was as selling representative for a typewriter manufacturing house, leaving this to sell bonds for a Boston firm. Seeking a broader field for his talents, he was attracted to casualty insurance and joined the agency force of the Travelers in 1913. His experience in such connection covered several cities of both east and west. Ten years later found him a member of a Philadelphia agency firm, and later he worked on his own account. He accepted an attractive offer from the Great American Indemnity when that company was launched.

Gilbert Warner, newly appointed by President J. Scofield Rowe of the Metropolitan Casualty as superintendent of the surety department in the branch office in New York city, has had close to 14 years' experience in underwriting, having started with the Globe Indemnity, and in turn being connected with such representative companies as the Maryland Casualty, Aetna Casualty and

Continental Casualty. An ardent sportsman outside of business hours, Mr. Warner thus manages to keep physically and mentally fit for the strenuous activities of a progressive underwriter.

J. Dillard Hall, manager of the Des Moines office of the United States Fidelity & Guaranty, is the proud papa of J. Dillard Hall, Jr., born a few days ago.

Snider, Walsh & Hynes of Davenport, Ia., have been notified by the United States Fidelity & Guaranty that their agency won the 1928 total production tournament, having produced more business than any other agency in the United States for the company. The agency wrote new business with over \$300,000 in premiums last year. The silver cup awarded to the firm comes into its permanent possession. A Davenport office has just been established by the U. S. F. & G. with Lee Kious in charge of claims, E. V. Proudfoot in charge of production and Ernest Coyne, auditor.

The appointment of Dr. John Walter Martin of Des Moines as medical director of the United States Fidelity & Guaranty was announced this week. Dr. Martin succeeds the late Dr. D. Z. Dunnott, who was killed by an automobile

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Total Disability Indemnity

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Has pleased its Agents and Policyholders and steadily grown in financial solidity and in prestige for 40 years.

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We Write Them All.

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W. M. CHITTENDEN & COMPANY
Chamber of Commerce Building, Cincinnati, Ohio

last November. He has been connected with the company as zone surgeon in the Des Moines territory for the past four years, and prior to that was surgeon for one of the large railroad companies with headquarters in Des Moines.

He is a graduate of the Northwestern University medical school of Chicago, a member of the American College of Surgeons, and has specialized in surgery ever since his graduation. Dr. Martin will take charge of the work at the home office March 1.

SUICIDE DEFENSE WAS MADE

Interesting Personal Accident Case Came Up Before the Federal Court Involving the Travelers

A jury in the federal court of St. Louis has awarded Mrs. Emma Schenkel \$15,000 on an accident policy in the Travelers carried by Henry Schenkel, her husband, who shot and killed himself. The plaintiff contended that the assured, who was a soap process inventor, took his own life unaware he was committing suicide as a result of carbon monoxide gas poisoning causing him to become insane. Testimony showed that on the morning he suicided, the assured, after unsuccessful litigation with William Waltke Company over secret soap formulas, was overcome with gas while cleaning his automobile, was placed on a bed, later obtained his pistol and shot himself.

The Travelers contended that Schenkel had committed suicide. Medical experts on the stand expressed the opinion that he was not insane when he suicided, that gas poisoning was not a contributing factor, but he shot himself because of business worries.

Licensed in New York

The St. Paul-Mercury Indemnity of St. Paul, running mate of the St. Paul Fire & Marine Company, has been licensed to do business in New York and announces the appointment of A. Hyman & Sons, of 17 Platt street, New York City, as its general agents for casualty lines. The Hyman agency has represented the St. Paul Fire & Marine for inland marine line for the past five years and the Mercury for automobile, fire and theft lines. It now represents all three St. Paul companies.

David J. Grotz, formerly with the New York Casualty, goes with the Hyman agency as head of its casualty department.

Excess Insurance Co. Figures

The Excess Insurance Company of 84 William street, New York, in its annual statement shows assets \$3,019,102, capital \$730,020, net surplus \$1,247,095. The company writes casualty and surety reinsurance and has a large number of clients which it serves admirably. It writes also excess insurance of various kinds.

McSweeney Goes to Chicago

William M. McSweeney, field assistant, casualty lines at Syracuse, N. Y., has been promoted to the position of an assistant manager, casualty lines, and transferred to Chicago by the Travelers.

Mr. McSweeney was appointed field assistant, casualty lines, in September, 1925. After the usual period of training at the home office he was assigned to the Duluth, Minn., office. In May, 1927, he was transferred to Providence, R. I., and a year later to Syracuse, N. Y.

Lewis With Constitution

The Constitution Indemnity announces the appointment of William A. Lewis as manager of its Connecticut office, 983 Main street, Hartford.

After the war Mr. Lewis entered the Aetna Life and affiliated companies' training school. Being assigned to the Philadelphia branch office, he was made special agent in charge of southern New Jersey, later being transferred to the New York office. Mr. Lewis goes to the Constitution from the New Amsterdam Casualty, for which he had charge

of the New York City suburban field, along with southern New York state, Long Island and eastern Connecticut. The Constitution's Connecticut office supervises Connecticut and Rhode Island.

Butte Agency Sold

Paul Wolcott of Butte, Mont., general agent for the Aetna Life and affiliated companies, has sold his general agency and purchased an interest in the F. S. Salmons agency at San Diego. The Butte general agency will continue in the name of Wolcott & Co., whereas the Salmons agency will now be known as Salmons & Wolcott Company. The Butte agency will be composed of R. J. Trudelle, president and manager; W. F. O'Brien, vice-president; L. S. Vaughan, secretary and treasurer.

Labor for State Fund Bill

BOSTON, Feb. 6.—Delegates at the meeting of the Boston Central Labor Union Sunday by a unanimous vote adopted a resolution indorsing the bill which seeks to establish a state fund for providing compensation for injuries and deaths due to motor vehicle accidents.

Frank A. Goodwin, former registrar of motor vehicles, sponsor of this bill, addressed the delegates, by invitation of the educational committee, and explained the advantages which he claimed would accrue to the automobile owners through the state handling the compulsory automobile liability insurance.

Stone Elected President

George J. Stone of the Utilities Mutual was elected president of the New York Claim Association in its annual meeting last week. Other officers elected are: First vice-president, Joseph A. Plunkett, Union Indemnity; second vice-president, Thomas E. Bresnan, Standard Oil Company of New York; treasurer, Frank J. McKeever, Fidelity & Casualty; secretary, Louis E. Vogel, Northwestern Casualty & Surety. Speakers at the meeting were Miss Frances Perkins, New York state industrial commissioner; Charles H. Tuttle, United States district attorney; Commissioner Locke, who administers the longshoremen's and harbor workers' compensation act, and Henry D. Sayer, secretary of the industrial survey commission.

"Guest" Bill in Missouri

A bill has been introduced in the Missouri house to protect motorists from damage suits by hitch hikers and other non-paying automobile ride guests.

The measure provides that the automobile owner or operator shall not be liable for injuries to invited non-paying guests while riding in their automobile unless the damage results from reckless driving or is due to the use of intoxicants by the operator.

Bar Guest Liability Claims

MADISON, WIS., Feb. 6.—Considerable money in claims would be saved casualty companies writing automobile liability, under a bill introduced in the Wisconsin assembly. The bill provides that motorists would not be liable for damages suffered in traffic accidents by persons driving with them as guests. Sponsors of the bill state that hundreds of damage suits have been brought in Wisconsin against automobile owners by persons who had accepted rides with such motorists and had sustained injuries while riding with them.

Insurance companies are made codefendants in such actions, usually, if the driver is covered by insurance. Ordinarily the actions are not aimed at the drivers themselves, but at the companies which cover them.

Mutual Receiver Pushes Assessments

NEWARK, Feb. 6.—William Newcorn, substitute receiver for the State Mutual Liability of this city, is pressing the collection of assessments against members of the concern, which was declared insolvent in April, 1921, and has secured payment from a considerable number.

Memphis General Agency

The New York Indemnity has signed agency contracts with Treadwell & Harry at Memphis, Tenn., as its general agents for all lines for western Tennessee, northern Mississippi and all of Arkansas. It has also appointed as regional agents for all lines at Memphis, the Neely Grant agency.

NATIONAL SURETY HONORS W. B. JOYCE

(CONTINUED FROM PAGE 40)

premium income. Operating now in every section of the United States, the National Surety recently established itself in France, will shortly open up in Germany and is studying conditions in Argentina with a view to entering that country.

Praised for Powers

E. A. St. John, president of the National Surety, who acted as toastmaster at the gathering, in introducing Chairman Joyce as speaker of the evening touched in outline upon the wonderful progress of the company under the administration of the latter, saying truly that had it not been for Mr. Joyce the strong probabilities were that the institution would long since have passed out of the picture.

Back in 1903 the National Surety, then but recently removed to this city from Kansas City, Mo., was in dire straits. With assets of \$1,500,000, and liabilities far in excess of that figure, the directors of the organization were seriously debating its liquidation, when the late John A. McCall, then president of the New York Life and chairman of the board of the National Surety, induced Mr. Joyce to assume the presidency of the latter company, confident that if the corporation could be saved, Mr. Joyce would point the way. Prior to this time Mr. Joyce had been general agent for the institution in the northwest, and his business alone among all of its representatives had shown continuous profit. The secret of this condition was that Mr. Joyce knew personally practically all of the important financial and commercial men throughout his territory, and was able to pick his risks intelligently. He knew, too, how to settle claims, seeing that every just one was paid in full, and that unworthy or excessive demands were rejected.

Sets Company Aright

With characteristic energy Mr. Joyce, when he assumed the direction of affairs, set himself seriously to the rehabilitation of the National Surety, and though the task was a herculean one, he stuck to it; getting new business and disposing of accumulated liabilities with such result that the company soon possessed a substantial surplus and, what was of far greater moment, the confidence of the insuring world. Step by step, slowly at first but with ever accelerated motion the company established itself in the field and long since made a place for itself in the underwriting sun, where it continues to shine and is long likely to.

The success Chairman Joyce achieved he attributes in large degree to the fact that he had a definite aim in life and held to it through good and ill, mastering circumstances instead of being influenced by them. He strongly counseled the 300 or more attendants at the gathering last Thursday, and especially the younger men, to chart out a course in life and then to stick to it. He said: "Whatever you do, do it with all your might, and be content with nothing less." Another element that has helped Mr. Joyce in his progressive career is his possession of the pioneering instinct. He has ever been a seeker for new avenues of development, and many of the now popular forms of coverage in the field of suretyship and its related lines originated in the office of the National Surety.

Has Profited by Mistakes

Mr. Joyce has made mistakes, doubtless many. But he has profited because of them and instead of allowing himself to be overcome, has made them serve as stepping stones to greater accomplishment.

If Horatio Alger were writing today he would doubtless seize upon the career of W. B. Joyce to pen another inspirational work, probably entitling it "From Newsboy to Millionaire Executive." In the course of the years as his administrative abilities became known to the industrial leaders of the country, Mr. Joyce

was the recipient of many flattering offers to take the management of big enterprises of different kinds, but all such propositions were put aside. Mr. Joyce contending that the National Surety was his only love. To its upbuilding he has given the best years of his life, and energy such as few men possess, and he would not be deflected from his loyalty to it.

In connection with the anniversary celebration of his service with the National Surety and that company's annual meeting, the growth of the organization and its development in the last quarter of a century was reviewed.

In these 25 years to the end of 1928, the total assets of the National Surety rose from \$1,611,553 to \$50,165,000. The combined capital and surplus increased from \$686,737 to \$27,483,000. Total net premiums increased from \$848,508 to \$18,360,560.

Gross premiums written in 1928 were the largest in its history and totaled \$28,467,000, an increase of \$1,163,000 over 1927. After all deductions, net premiums for 1928 were \$18,360,000, an increase of \$791,000 over 1927.

Dividend Is \$13.82

Through an underwriting credit of \$2,151,160 and net income from investments of \$1,995,442, the company made a total 1928 operation credit of \$4,146,602, or \$13.82 a share on the new \$50 par value stock. This was an increase of \$1,036,697 over 1927. The company reported a net depreciation of \$1,233,801, which includes a reserve for the New York Indemnity of \$725,766. Income taxes totaled \$410,218. Net credit totaled \$1,568,714 before the payment of \$1,500,000 in dividends.

The following directors were elected at the annual meeting: H. E. Byram; Albert M. Greenfield, Philadelphia; Frank T. Heffelfinger, Minneapolis; Joseph P. Grace; Arthur C. Hilmer, St. Louis, and James J. Ryordam.

U. S. F. & G. Service Offices

BALTIMORE, Feb. 6.—The United States Fidelity & Guaranty has opened a service office at Williamsport, Pa., in charge of Special Agent James D. Bartlett. A service office has also been opened at Erie, Pa., in charge of E. J. Fitzsimmons. L. Edward Hed has been appointed resident agent at the San Diego service office. Mr. Hed was for a long time one of the general agents in the South Dakota field.

Appointed Casualty Manager

J. H. O'Reilly, Jr., has been appointed manager of the casualty department of the recently established Los Angeles branch of the New Amsterdam Casualty of which Bernard A. Guy is manager. For the past six years Mr. O'Reilly has been connected with the Hartford Accident, having been chief underwriter in the Los Angeles branch for the last three years, previous to which he was in charge of the Phoenix, Ariz., service office.

Donahue Finds 1929 Business Good

The bright outlook for general business in 1929, so widely broadcast, seems to find a responsive chord in the returns for January from the office of John W. Donahue, resident vice-president, in charge of the Philadelphia branch office of the Maryland Casualty, who reports the largest month in the history of the Philadelphia office. Mr. Donahue has been in charge of the Maryland Casualty branch office there since October, 1900, when he was made resident manager. Under his supervision the office has grown to be one of the most important of the company.

File Washington Auto Bill

SEATTLE, WASH., Feb. 6.—A bill has been introduced at the house of representatives, Olympia, by Representative Webb of Spokane providing for a state automobile fund and indemnity to persons injured in auto accidents. It is known as house bill 71 and requires compulsory insurance for automobile owners. A new state committee would be created by the bill, consisting of the director of public works, director of licenses and a third member to be named by the governor.

AUTOMOBILE	PUBLIC	BURGLARY	ACCIDENT
LIABILITY	LIABILITY	THEFT	HEALTH
PROP. DAMAGE	TEAMS	PLATE GLASS	WORKMEN'S
COLLISION	ELEVATOR	STEAM BOILER	COMPENSATION

General Accident



FIRE AND LIFE

ASSURANCE CORPORATION, Ltd.

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GENERAL BUILDING - 4TH & WALNUT STS.
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A Progressive
Surety and Casualty Company

AMERICAN CASUALTY COMPANY



READING, PENNSYLVANIA



BIG ENOUGH FOR YOUR NEEDS—
BUT NOT OVERGROWN

Inquire about our excellent agency proposition

Incorporated 1902

Assets \$3,791,807.40

Income Insurance Specialists

OPPORTUNITIES FOR SALESMEN
IN FORTY-EIGHT STATES

North American Accident Insurance Co.
209 South La Salle Street, CHICAGO

Re-Insurance
Excess Re-Insurance
Catastrophe Hazard

DEE A. STOKER
RE-INSURANCE UNDERWRITER
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All Lines but Stressing Excess Fire Reinsurance General Classifications

PAYROLL AUDITING

Chicago and Adjacent Territory
EXPERIENCED MEN
RICHARDSON & KAZMER
3834 N. Sawyer Ave.
Phones: Wabash 6161—Keystone 3558

Fidelity and Surety Man

Fine opening in general agency for good fidelity and surety bond salesman. Address **K-5**, The National Underwriter.

Young Man Wanted

as assistant in Burglary Insurance Department. Must have some knowledge of Burglary Insurance. Address **K-11**, The National Underwriter.

Claim Investigator and Adjuster

desires position with reliable Health and Accident Insurance Co. 15 years experience. Best references. Services available March first. Address **K-2**, care The National Underwriter.

Underwriter wanted, thoroughly competent and acquainted with large Workmen's Compensation risks in Texas, and capable of soliciting and obtaining such business. Must be employed at present, with satisfactory record as to past performance. To such a man we offer an exceptional opportunity limited only by his ability and initiative to obtain the necessary results. Give details of past and present employment and references. All replies confidential.

TEXAS INDEMNITY INSURANCE CO.
Galveston, Texas

Special Agent Wanted

to travel Ohio, Kentucky, Tennessee and West Virginia for an Old Strong Casualty and Surety Company with Aggressive Management.

This is an opportunity for a man of ability.

Address **K-8**

Care **THE NATIONAL UNDERWRITER**.

STATE SUPERVISORS WANTED

One each for Indiana and Illinois. Must have wide experience in the Health and Accident Insurance field, ability as personal producer and appointing and working with new Agents. Full line Disability Policies featuring "Gold Seal" Non-cancellable. Salary and Bonus to the right men.

Write
INCOME GUARANTY COMPANY
Income Building, South Bend, Indiana
Stock Company—Authorized Capital \$1,000,000

Human

Great American
Indemnity Company
New York

Casualty
Insurance

Fidelity and
Surety Bonds

Full Coverage
Automobile
Insurance
At
Independent
Rates

Stock Company
UNDERWRITERS CASUALTY COMPANY

HOME OFFICE
PLANKINGTON BUILDING MILWAUKEE, WIS.

Capital and Surplus
\$200,000.00

Agents Solicited

WINZER & CO.

CERTIFIED PUBLIC ACCOUNTANTS

Specializing in

INSURANCE
ACCOUNTING

29 S. La Salle Street
CHICAGO

Payroll Audit Cost
Reduced to a Minimum
ATWELL & VOGEL

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C. G. ATWELL, Mgr.
4616 Bruce Ave.
MINNEAPOLIS

B. F. VOGEL, Mgr.
4943 N. Hoyne Ave.
CHICAGO

FLEET SYSTEM IS TREND OF THE DAY

(CONTINUED FROM PAGE 49)

making a gain in premium income of \$1,000,000 or more a year. In 1926 it had premiums \$10,592,296 and the year before \$9,345,247.

Linked Up With Fleets

It is very evident that casualty companies are getting more and more linked up with fire companies and vice versa. In days gone by there were few casualty companies that had close fire insurance affiliations. Of the large company groups, there are but few now that have not casualty companies of their own. The United States Fidelity & Guaranty is just putting into the field the Fidelity & Guaranty Fire. The Public Fire of Newark is putting the Public Indemnity into business. Corroon & Reynolds of this city have come into control of the Independence Indemnity. The North America has launched the Alliance Casualty in addition to the Indemnity Insurance Company of North America. Seemingly the tendency of the times is for fire and casualty companies to align themselves in the fleet. Of the large fleets, the America Fore, the Home of New York and the North British & Mercantile are the main ones that do not own their own casualty companies although the Home and the America Fore companies have a casualty affiliation for automobile business.

COMPANIES CAN NOT GUARANTEE DEPOSITS

(CONTINUED FROM PAGE 51)

a drag on profits in good years and prohibitive at other times.

"(e) The desire for coverage would be most urgent when it was least desirable.

No Substitute for Safety

"The more I study this situation, the more convinced I am that there are no substitutes for good, sound, conservative, constructive bankers' operating under carefully drawn and well-administered laws.

"There are entirely too many banks. There is not the need for so many banks in these days of automobiles and good roads. It is too easy for unworthy individuals to secure charters for banks. Defaulting bank officials frequently go unpunished or are given inadequate sentences. Over-banked communities should be 'de-banked' as speedily as possible.

"A study of 1,876 bank failures disclosed that 41.4 percent had a capital of less than \$25,000 each. It is my opinion that banks proposing such limited capital and a proportionate surplus, usually 50 percent, though in not a few instances no surplus is intended, should not be chartered. To insure safety all banks should be examined by competent parties frequently and thoroughly. They should be officered by men of character, ability and financial responsibility. If this were done, the confidence of many of our people in financial institutions, which has been unsettled in late years, would be restored, and money now being hoarded would be placed in banks and depositors might be reasonably assured of the safety of their money.

"Within the first 11 months of 1928 there were 446 bank failures reported for the country as a whole. Of this number, 63 were members of the Federal Reserve, and 383 non-members."

COMMITTEE ASKS THAT ACTION BE DEFERRED

(CONTINUED FROM PAGE 49)

Chicago local committee efface itself as to the matter of ruling on these preferential points and we are, accordingly, returning herewith the listings recently received from your association.

"The Chicago local committee appreciates the assistance which has been rendered us in this matter and again we repeat that our action as herein recited

is taken because we are convinced that it is to the best interests of the business as a whole and we are sure that as soon as it becomes generally known the companies that have refused to list their filings because of their desire to keep these out of the hands of the Chicago local committee will be glad to comply with the request, which should enable the National committee to handle the situation and treat Chicago not as a separate unit but as a part of the nation-wide plan for the handling of the acquisition cost program."

Each member of the executive acquisition cost committee of the Chicago association signed the letter.

STANDARD AGENTS VOTE ON TYPES OF "COG" COVERS

The Standard Accident is to base its choice of the various types of covers used on its well-known sales organ, the "Standard Cog," during 1929, on the replies received from a questionnaire sent out to all of the company's agents, asking them to indicate the types of covers best liked.

The replies indicated that cover illustrations that tell a story were the most popular among readers of this little magazine. The type of cover second in preference was that containing a seasonal idea. Other types of covers which proved popular were colored landscapes, novelty covers and rich, artistic covers.

The "Standard Cog" is one of the best known company magazines and has established a reputation for the originality of its covers as well as the helpful and timely sales information and suggestions contained on its inside pages.

Goes to Philadelphia Firm

Stanley G. Martin, who resigned as second vice-president of the Independence Indemnity in charge of casualty and automobile lines, has become manager of the casualty and automobile department for the general agency of Stokes, Packard, Haughton & Smith in Philadelphia. George R. Packard of the firm and Ralph Freeman, president of the Lumbermen's, recently resigned as directors of the Independence. Their places will be filled by representatives of Corroon & Reynolds, who recently purchased a large block of stock in the company.

Penalize Delay in Claim Payment

AUSTIN, TEX., Feb. 6.—A bill introduced in the Texas legislature by Representatives Hubbard Graves, of Williamson county, would place casualty companies under the same penalty as fire insurance companies for failure to pay claims.

It imposes a penalty of .12 percent and reasonable attorneys fees where a casualty company fails to pay a loss on demand and judgment is obtained in a suit subsequently filed to collect.

Get London Guarantee & Accident

Carrington Mason & Sons have been appointed general agents of the London Guarantee & Accident in Memphis. The agency is one of the oldest in the city, having been established in 1866.

Browne Transferred to Syracuse

BALTIMORE, Feb. 6.—F. Gibson Browne, formerly field supervisor for the St. Louis branch office of the United States Fidelity & Guaranty, has been transferred to the Syracuse branch office.

Entering Three New States

The New York Indemnity is entering Arkansas, Florida and Texas, and has appointed the W. E. Mitchell Insurance Agency of Tampa its general agent for Florida. Agency Superintendent Green is now in the south looking over the field, and upon his return will likely have a number of agency possibilities to recommend.

Reinsurance Bureau Meeting

The annual meeting of the Workmen's Compensation Reinsurance Bureau will be held in New York City Feb. 12.



EVERY EMPLOYEE —



*is PERSONALLY
interested
in your
success*

BACK of you at Home Office is a small army of people the employees of Union Indemnity Company each one vitally interested in your success, for every employee is a part owner of the Union Indemnity Company.

You know that the company will supply you with direct mail campaigns, attractive leaflets, well-printed folders, special assistance in selling, and up-to-the-minute service in claim adjustment.

Above all, there is employee interest in your success a personal eagerness to serve

that always accompanies part ownership in any business.

Pride and ownership—loyalty—zeal in giving service—faith in the company . . . these are the feelings which animate the men and women who handle your account.

These are the reasons that Union Indemnity Company in less than a decade has become one of the largest and strongest Casualty and Surety companies in America.

If you are interested in forming an agency connection with such a company, write us for details. We will be glad to tell you more about it.

Union Indemnity Company

EXECUTIVE OFFICES: Union Indemnity Bldg.
New Orleans

EASTERN DEPARTMENT: 100 Maiden Lane
New York

Union Title Guarantee Co., Inc.
La Salle Fire Insurance Company



Northwestern Casualty & Surety Co.
Bankers & Merchants Fire Insurance Co.

There is no capital inter-relation between these affiliated companies

Correspondence is invited with progressive agents in territories where we are not represented. Address Agency Department, New Orleans, La.



A Good Argument for Tornado But a Better One for Group

A catastrophe usually takes a frightful toll of property and of human lives.

Property values can be replaced. Buildings can be rebuilt—new machinery can take the place of that which was destroyed but human lives can never be replaced.

That is why a catastrophe which snuffs out human lives emphasizes the great good that Group Insurance does. Employees Benefit Associations cannot ordinarily cope with such a situation or pay their limited burial funds when a number of employees are killed.

Often a corporation's treasury cannot stand the strain of heavy contributions to the families of the deceased.

The Travelers can pay the claims, whether one or hundreds, and pay them promptly. Most Travelers Group claims are paid within twenty-four hours of receipt of notice—just at the time the money is needed most.

The Travelers protects over 915,000 employees with over \$1,200,000,000 of Group Life Insurance. It leads the world in the number of employers served by all forms of employer-employee insurance.

A Travelers Group Insurance claim check, delivered by a sympathetic adjuster, is one of the most comforting messages which a bereaved family can receive.

THE TRAVELERS

THE TRAVELERS INSURANCE COMPANY

THE TRAVELERS INDEMNITY COMPANY

THE TRAVELERS FIRE INSURANCE COMPANY

HARTFORD, CONNECTICUT

The Largest Multiple-line Insurance Organization in the World